

INSIDE: South Africa's mounting black fury

Maclean's

AUGUST 19, 1985

CANADA'S WEEKLY NEWSMAGAZINE

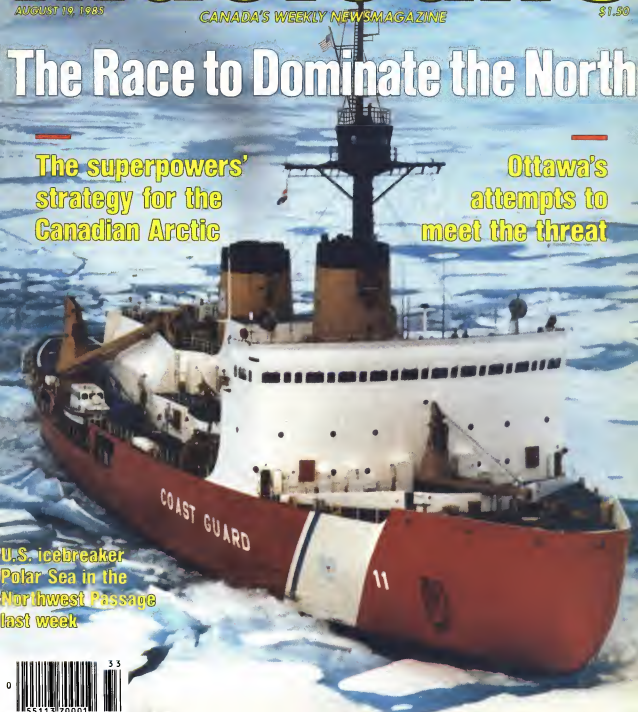
\$1.50

The Race to Dominate the North

**The superpowers'
strategy for the
Canadian Arctic**

**Ottawa's
attempts to
meet the threat**

**U.S. icebreaker
Polar Sea in the
Northwest Passage
last week**



33

"I'm glad we waited."

BE A PART OF IT

Canadian Club

Maclean's

AUGUST 18, 1985 VOL. 98 NO. 32

COVER

A new crisis over sovereignty

The voyage of the U.S. Coast Guard icebreaker Polar Sea through the Northwest Passage last week raised new concerns over the strength of Canada's claim to sovereignty in the North. The controversy exploded just as the Arctic Ocean—already threatened by submarines—is becoming increasingly important as a strategic naval theatre. —Page 16

COVER PHOTO BY MICHAEL HEWITT



A new direction for the PQ

Pierre Marc Johnson—physician, lawyer, cautious intellectual and front-runner in the 1985 leadership race—is in many ways the epitome of René Lévesque. —Page 10



A gold coin's lost lustre

Bullion buyers are turning to Canada's Maple Leaf gold coin as political unrest in South Africa raises questions about the future of the Kruggerend. —Page 34



A raging apartheid inferno

As South African police sought to contain violence among blacks and Indians, white Indians said that they may reform the nation's apartheid system. —Page 24



Baseball's fans strike out

The major-league players' strike lasted only two days, but for fans it was still an awe-inspiring interruption in one of their favorite summertime pursuits. —Page 39

CONTENTS

Art	35
Business/Economy	34
Canada	10
Cover	16
Editorial	2
Film	34
Fotheringham	36
Gardner	9
Holmes	34
Immigration	42
Letters	4
Music	41
Newsweek	42
Parsons	4
People	48
Science	18
Sports	39
World	24

LETTERS

Putting out fires

Your well-documented report "Fighting the loss of summer" (Canada, July 28) says that 40 per cent of forest fires are started by lightning. What of the other 60 per cent? Can we not prohibit fires set by people—campers, fishermen and others unfamiliar with the facts of life outside the confines of the city? A law permitting fires only at designated sites would surely help to alleviate this situation.

—PEGGY DUFF,
Thornhill, Ont.

Lessons from the Keegstra case

In "The price of James Keegstra's guilt" (Canada, July 29) you write, "Keegstra has already paid a considerable price for his beliefs"—referring to his firing by the Lacombe County board of education and the revoking of his teaching certificate. But it seems wrong to call this a penalty for Keegstra's beliefs. Any teacher who systematically misrepresents his students about the nature of historical evidence, the use of historical authorities and the empirical nature of historical theory deserves to be fired and barred from teaching—whether his personal beliefs are objectionable or conventional.

—J. ANTHONY BEALE,
Windsor, Ont.

Derogation takes off

So far, the opinions expressed in the news about derogation of air services have been nothing but hogwash. "The uncertain promise of cheap flights," Transportation, July 26. If one could fly from Winnipeg to Toronto or Vancouver for \$80, why would there be any other



B.C. fire fighters face the facts of forest fire

time? All of a sudden there is concern for Brandon, Thompson or other isolated communities. How stupid! These communities will always be served on a need-to-serve basis. If there is no large volume of passengers, why would anyone in his right mind think service should be extended to these areas? Come on, Canadians! Wake up to free enterprise, real hard work and stiff competition. The United States has proven that it works. Small communities in the United States are now served by up-and-coming commuter airlines which previously were not allowed to start up because of the heavy thumb of government rule.

—ERIC SUZUKI, JR.,
St. John's, La., Fla.

Working in the public interest

As someone who has recently joined the federal public service after working for five years in medium-sized private corporations, I was (amused by your snarky and stereotypical remark that "the major cause of stress in the public sector may be 'underload'—too little work—while in the private sector it may be 'burnout'") ("Politics in the office," Cover, July 13). My own experience, as well as that of many of my colleagues who have private sector experience, does not bear out this "fact." I have never worked as hard in the private sector as I have had to since my move to Ottawa. I think Madson's owns an apology to the thousands of intelligent and hardworking Canadians who earn their living in all levels of public service.

—CLAUDETTE BRANCHAUD,
Ottawa

Letters are edited and may be condensed. Readers should supply names, addresses and telephone number. Mail correspondence to: Letters, the Editor, Maclean's magazine, Maclean's Executive Bldg., 277 Bay St., Toronto, Ont. M5H 1A7.

PASSAGES

DEED Gordon Fisher, 36, president and chief executive officer of Southern Inc., Canada's second-largest newspaper chain (after Thomson Newspapers Ltd.), of liver cancer in Toronto (page 38).

RETIRED Fifteen-year National Hockey League veteran Barry Sittler, 33, who joined the Toronto Maple Leafs in 1970 as centre and scored 360 goals before the Leafs traded him to the Philadelphia Flyers halfway through the 1982 season.

DEED Canadian National Institute for the Blind co-founder Harvey Layan, 55, who lost his sight and hearing after suffering injuries when a shell exploded in France two weeks before the end of the First World War, of a heart attack in Selkirk, Arns. Born in Griffin, Ont., the veteran of both world wars—he also served in the Second World War as a rehabilitative officer—received a number of awards for his efforts to help the needy, the handicapped and especially the blind.

DEED Ken Smith, 53, business and financial columnist for The Canadian Press, of an apparent heart attack at his Toronto home. Smith's column, *At Your Business*, appeared three weekly in most of the 304 member daily newspapers of the national news service. A general and popular man, Smith had spent 20 years at CTV as business editor, general news editor, features editor and, since 1982, columnist.

DEED Guyana President Forbes Burnham, 65, of a heart attack following a throat operation, in Georgetown. An outspoken leader who held elected positions in new Guyana since independence from Britain in 1966 and who had been president since 1980, Burnham was successful in bringing the South American country of 800,000 out of its state of poverty and high unemployment. A lawyer who studied at the University of London, Burnham was prime minister of Guyana in 1978 when his government allowed radical leader Jim Jones to set up a commune in Jonestown. Later that year 900 Americans committed suicide by obeying Jones's order to drink cyanide-laced fruit punch. Burnham's successor in his prime minister and pretist, Desmond Borge, 66.

CONVICTED Retired U.S. Navy Lt.-Cmdr Arthur Walker, 50, on seven counts of espionage, by Judge Calvitt Clarke, in a U.S. district court in Norfolk, Va. Charged with his brother John and nephew Richard of passing valuable information to the Soviet Union, Walker faces a possible 10% sentence and as much as \$40,000 in fines.

It tears through a tonic.



Gilbey's.
The gin taste
comes through.

MOVING? CALL TOLL FREE
1-800-368-9057
In B.C. Call 1-2-800-260-0057

ANY COUNTRY IN THE WORLD FROM ANYwhere

NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (FIRST)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (MIDDLE)	STREET ADDRESS	CITY	PROVINCE	POSTAL CODE
NAME (LAST)	STREET ADDRESS	CITY	PROVINCE	POST

**When
you're looking for a
no-risk, high-return
investment, invest in
Investor's Digest**

For just a few dollars a week, the top names in the investment business will tell you where to put your money. Every issue is jam-packed full of reports, statistics, and forecasts that recommend specific investment action.

Recent issues have included reports on: Irancon, British Telecom, Rock Photo, Noranda, Brazoria, Federal Industries, Newco W&I Services, Aeroflot, Wines, Bell Canada Enterprises, Hawker Siddeley, Genstar, Falconbridge Nickel and many more.

And, as investment in Investor's Digest offers no risk. If you're not completely satisfied with the publication, you can cancel, return your free gift, and receive a full refund on all un-delivered issues.



In addition, for a limited time, we will include the amazing **CREDIT-CARD-TWEN DOLLAR CALCULATOR** as a free gift with your payment. This \$21.95 value is the perfect solution to all your calculating problems. It slips easily into any pocket and pencil and never needs a battery or electric outlet.

Order today. Remember with Investor's Digest, your gains and sole investment recommendations from the experts, the credibility of The Financial Post and the remarkable value calculator.

3-000-110 (5 issues) just
\$29.50

Call
1-800-387-1390
to start your subscription
or write

**Investor's
Digest**
of Canada

Published by The Financial Post
Media House Building, 777 Bay Street,
Toronto, Canada M5W 1A7

FOLLOW-UP

A priest's new mission

The letter ended the political career of the only Roman Catholic priest then in political office in North America. On Feb. 18, 1984, after five years in Parliament and just three weeks after he won the federal NDP nomination in Saskatchewan East, MP Rev Robert Ogile received a directive from the Vatican ordering him to comply with a new code of ethics that banned Roman Catholic clerics from seeking elected office. Ogile, 58, reluctantly gave up his candidacy. Anglican minister Colin Clap subsequently lost the riding by 405 votes to Terry Ogilvie. Harris said, Ogile told Mosdown that he could not have defied Rome to continue campaigning his favorite causes, among them the plight of the underdeveloped nations. Now, despite serious clerical and social problems, he has found a new way to pursue his interests: he is currently at work developing a television program that explores Canada's relations with the Third World.

Ogile has received a \$130,000 grant from the Canadian International Development Agency for the production of pilot programs in what he calls the Broadcasting for International Understanding Project. But the project's biggest asset is undoubtedly the fledgling producer's own commitment. Politics, religion and the Third World have been Ogile's primary interests ever since he worked as a missionary in poverty-stricken northeastern Brazil from 1964 to 1973. Working alongside some of Latin America's most radical clergy, he soon absorbed their brand of Christianity, known as "liberation theology," which combines social activism and Marxist class analysis with the New Testament's teachings.

After moving on to work in Africa and Asia, Ogile took his newfound political values back to Canada, where he ran for Parliament in 1979 against Liberal Transport Minister Otto Lang, can-

nying with an issue in which he displayed his own radical political convictions. He easily broke Lang's 11-year hold on the riding of Saskatchewan East and won by 2,550 votes. But the sense of humor that had served him well on the campaign trail did not make the transition to federal politics any easier. "The American is tough," Ogile told a reporter at the time, "but not as tough as the flower of Congress when it comes to basic mind change."

Shortly after he left politics, Ogile's health collapsed. Striking in front of the TV screen during a bleeding ulcer, he became shocked by what he calls "media programming." Ogile decided to create shows on issues which concerned him. "Canadian identity, the Third World, war, crime," he said. "But it has much to teach in terms of human and family values."

Ogile is currently preparing proposals on a variety of program formats. Among options he is considering are developing a PBS DocuStar-style talk show dealing with such issues as drought and deforestation, and producing what Ogile calls a "M.A.S.H.-like" sitcom dealing with the adjustment problems of a middle-class Canadian family living in an underdeveloped country. A Toronto-based independent television producer, Barbara Burke, has not answered her assistance as a technical consultant in developing the TV shows. But Burke, "The more people like Ogile who push for this thing, the greater the chance of success."

But Ogile's health remains a problem; at his residence in St. Paul's Cathedral in Saskatoon, he is currently recovering from heart surgery performed in May. Still, he hopes to start production when he has regained his strength. Venturing into what he perceives to be the wasteland of television has become his latest mission.

—ANDREW NEWMAN R. in Edmonton



Ogile: cartoons, crises

Investment.



One reason why
Cast has the most
fuel-efficient container fleet
on the North Atlantic.

CAST

The Blue Box System of Container Shipping

Pacesetter.



LAMB'S White Rum.
Quality sets its own pace.

Lamb's and orange juice, lemon juice and soda. Write for this and other exciting summer recipes to:
Lamb's Rum Company, P.O. Box 308, Station B, Montreal, Quebec H3B 3J7

COLUMN

The noisy, the rude and the restless

By Charles Gordon

Good luck to Edmonton city council and its "where the air" campaign. Good luck to Mayor Ed Stelmach of New York. Both city governments have noticed, now that it's summer and the windows are open, that their citizens view city parks as just the perfect spot to test the power of portable stereo systems. Both cities are attempting to crack down, New York by legislating, Edmonton by persuasion. "It's not proper," said an Edmonton alderman, "to make the most noise in the park. It's like a car without a muffler."

Funny he should say that, because car and motorcycle noise is part of the same problem. There are laws about vehicle noise, just as there are laws about portable stereo noise, but they fly in the face of human nature, at least as it is perceived by the people who buy lifestyles in advertising. The alderman says, "Don't make so much noise," the television ads invite you to make as much as you can. You will have a difficult time remembering the last commercial that extolled a motorcycle or muscle car for the degree of quiet it could produce on the streets. Strikingly, the ads for portable stereo systems are not likely to stress how good they sound in your room with the door closed. No, there's that gleaming machine at the beach, surrounded by dancing fire sockers in bathing suits.

The ads don't show the people under the next beach umbrella, who may or may not be members of the Edmonton city council, wishing the fun seekers would turn the damn thing down, yet as the ads don't show how the fire sockers in the beer commercials get home from wherever they have been twisting taps off with their bare hands.

The advertising may not attract reality, exactly: new noise is blundered through in a beer commercial—but it contains an element of truth. And if we examine it, we find that Edmonton city council is up against something far stronger than the portable stereo: the awesome power of the portable society. The portable society is dedicated to the principle that you can take it with you, within the usual limits. Hey, why leave your music at home? Just over there, a couple of hundred yards away, is a lovely young thing who, when she hears your Hall and Oates tape across a crowded park, is going to leave twisting taps off and say, "Let's you and me stop till we drop." Is there even the slightest

chance that a mere city council can stand in the way of such a dream?

The portable stereo system, viewed by many as a disease in itself, is just a symptom of a portable society. People in a portable society have no place to stay put. The city park they make noise in doesn't feel like theirs, because they were living in another city last year and will be living in still another a couple of years from now. Summer cottages, places of nonpermanent summer residence, are for the privileged few, and even many of those have given up the cottage because they have moved too far away and they can't get along too well with the residents anyway.

Now there is the portable cottage—the trailer or camper and, most recently, the houseboat, latest horror of the portable summer. The majority of houseboat users are low-chiding, unimpressive people, but the houseboat, in the wrong hands, can be a weapon—a

'The day of departmental, corporate and community loyalty is gone and the day of just passing through is here'

free-ranging, garbage-spewing noise machine. The houseboat has the beds inside, the gas barbecue on the back and room for all the portable stereo equipment you can pack. The bar up to somebody's elbow, twist a few taps and blast away. What care, oh? You won't be there tomorrow. And so for the package—well, plenty of room in the lake.

The phenomenon should not surprise us if we have been paying attention to recent years. The portable cottage is a natural outgrowth of the portable career, a way of life for Canadians almost as long as there have been four-lane highways. The Canadian who had a summer cottage or a neighborhood park he cared for was truly a Canadian who felt a loyalty to his place of work. Lacking a four-lane highway to another one, he stayed put. He started near the bottom and worked his way up in a straight, if slow, line. His government it was the same thing. A civil servant's career began at a low level in a department, where he talked politely, moving gradually upward until he reached the top job, which he believed he would eventually deserve.

Today's Canadian doesn't operate that way. He works his way up, yes, but the line has more signs and signs than the flight path of a monogame. And when he gets within reach of the top job he may find it has been given to a high-flying outsider. So he learns to become a high-flying outsider himself.

Whether in the oil patch or the federal bureaucracy, the pattern is the same. He starts working for A, jumps ship and joins B, getting a raise in pay for his trouble, latches on with C for a while, then reaches the spot of his career running D or perhaps even A again. The present job is a good springboard to the next, and the next is not far away. The person, it goes without saying, is portable too. The day of corporate or departmental loyalty is gone, and the day of just passing through is here.

The signs and signs of the portable career keep the moving compass and real estate agencies in business. Each career move brings a physical move, either to another city or another neighborhood in which there is little reason to develop a sense of belonging. The newspaper may be writing about city council wanting to keep the noise down in the city parks, but who reads the local news?

The portable society, even more than the mobile economists practiced by provincial departments of education, may be responsible for the collapse of the neighborhood school. Passing through as they are, the parents have no emotional link strong enough to combat their desire to send Junior across town to the school that has the computer programming course that is not available at the school around the corner. When the school board wants to shut down the one around the corner because of declining enrollment, who cares enough to fight it?

If the portable society can close schools, change the nature of industry and government, pollute lakes and cover the highways with trailers, it is a worthy opponent for the Edmonton city council. More generally, moreover, the rootlessness that gives us, among other things, noisy parks has caused many North Americans to look enviously to Japan, where family ties are strong and corporate loyalty is the norm. Powerful corporate loyalty has helped Japanese industry to thrive—and give us the portable stereo system.

Charles Gordon is a columnist for the Ottawa Citizen.

A new direction for the PQ

It is in many ways the ambition of Premier René Lévesque, whose eloquence and frenetic energy stirred the emotions of Quebecers, and many other Canadians, for nearly two decades—about everything about Pierre Marc Johnson, from the most serious manner of his formally liturgical speech to the way that the cut of his dark blue suits displays a slight paunch—seems calculated to make the calm assurance of the man who is the almost certain choice to succeed Lévesque next month as leader of the Parti Québécois and premier of Quebec. But Johnson is, in an interview last week with *Maclean's*: "I am a man who likes to project very carefully the consequences of things before taking action."

It is largely because he does present such a sharp contrast to the sometimes erratic Lévesque, who will be 63 next week, that Johnson is the strongest of the seven candidates to succeed Lévesque. Indeed, many observers predict that the 39-year-old justice minister and son of former Union Nationale premier Daniel Johnson will win on the first ballot. Others in the fold think of Johnson as

quarters free from anywhere in the province to join the party, and the Johnson campaign team will then hand-deliver the 85 membership card. As well, Johnson has formidable political support within the party, with the backing of 28 of the PQ's 61-member caucus—including 22 cabinet ministers—48 of the party's 102 riding presidents and five of the 102 regional presidents. And Henry Milne, a member of the PQ's national executive committee who is a Johnson

choice last November to suspend the party's independence plank for the foreseeable future. Following that decision, a total of 10 PQ members of the national assembly either left the party or crossed the floor to sit as independents, leaving Lévesque with a narrow-thin majority (16 votes) in the national assembly at the start of the summer recess in June 1982. Lévesque 52, independents 7, vacant 1.

A cabinet minister since the PQ took power under Lévesque in 1976, Johnson has managed to hold a succession of major cabinet posts—including the labor and social affairs portfolio—while keeping his political philosophy vague. Johnson is more of a nationalist than a separatist, and an economic conservative. He describes his political beliefs as "having more toward having people agree on what to do than on telling them what they will do. I prefer to call myself a pragmatist who deals with each issue on its own."

But it is that very pragmatism which has provoked serious criticism of Johnson within the party—principally over the party's handling of Quebec independence. While some PQ moderates fear that Johnson may be a separatist in

disguise, hard-line separatists ridicule him as a quiescentist who is intentionally in an order to court both federalist and Quebec nationalist support. As evidence of his ambivalent stand on the issue, the younger Johnson declared in a lengthy interview with *Maclean's* that as party leader he would not remove Article 23 of the party program, which pledges political independence for Quebec and economic association with the rest of Canada. At the same time he said that, while he sees no place for hard-line separatists in a PQ led by him, he would welcome federalists because "you have to cross boundaries to be a mainstream political party."

On the related issue of Quebec seceding from Canada's new Constitution, Lévesque refused to make his previous part of the 1982 constitutional agreement—Johnson says that he is en-

joy to reach an agreement with Ottawa. But he insists that "we are not going to sign an agreement just for the sake of signing it. We will have to get what we want." What Johnson wants is essentially the same list of demands that Lévesque put to Prime Minister Brian Mulroney last May—including exclusive

jurisdiction for Quebec over language issues, formal recognition of Quebecers as a "separate people" and exemption for Quebec from many of the provisions of the federal Charter of Rights and Freedoms. Johnson's willingness to sign it over the PQ's economic goals. For his part, Johnson favors a reduction in the interventionist style that has characterized Quebec governments since the beginning of the 1960s and the Quiet Revolution, which Premier René Lévesque agreed and want to see private enterprise assume a larger role in the economy, the two women in the race, Lande and Morris—who put her maternalist power to use last month in the leadership race by pleading increases in the province's minimum wage and in welfare payments for people under 30—want the party to return to its sometime emphasis on social progress.

betting the party's most fundamental objective.

The five major candidates in the race have agreed to abide by the party's decision to put the independence option temporarily aside, but there is less consensus over the PQ's economic goals. For his part, Johnson favors a reduction in the interventionist style that has characterized Quebec governments since the beginning of the 1960s and the Quiet Revolution, which Premier René Lévesque agreed and want to see private enterprise assume a larger role in the economy, the two women in the race, Lande and Morris—who put her maternalist power to use last month in the leadership race by pleading increases in the province's minimum wage and in welfare payments for people under 30—want the party to return to its sometime emphasis on social progress.

In the meantime, the PQ's approach to the separatist economic construction and its shelving of the independence issue worries some of Bourassa's Liberals, who believe that their party could be vulnerable to the attraction of a new PQ leader with middle-of-the-road policies. By the time Bourassa's government went down to defeat at the hands of the PQ in 1978, Bourassa's vacillating policies had made him highly unpopular in the province. Then, too, noted a Liberal member of the national assembly, "It is hard to sell Robert to many people. And when you put him alongside a guy with the promises of Johnson, it becomes even harder." For his part, Bourassa professes to be unopinionated. Despite the party generated for the PQ by its leadership campaign, Bourassa does not plan to change his own low-key style of campaigning, which for the past year and a half has consisted of attendance at regular organizational and fund-raising meetings across the province. The party, insisted Bourassa, is "ready for an election any time, against any leader."

While both sides continue their election preparations, one leadership figure has been conspicuously absent from the fray. Since June, Lévesque has kept public appearances to a minimum, and he insists that he will remain neutral in the party's leadership race. At the same time, he shows no sign of regretting his decision to step down. At a summer music festival two weeks ago in rural Joliette, the premier stretched up a banner and conducted the town's youth orchestra and later loudly declared his preference for spending his declining days "I am not finished. The number of good and bad things I can accomplish in two months is unimaginable." But with both parties gearing up for an election, Lévesque appears to have already been almost forgotten.

—ANTHONY WALTON SMITH in Montreal



Morale, Bourassa: getting ready for an election at any time.



Johnson: a well-timed campaign and formidable support within the party.

Morgentaler's escalating crusade

Located elsewhere in Canada, the one-story red-brick home could easily be the focal point of angry demonstrators. But a better name place all that distinguishes Dr. Henry Morgentaler's abortion clinic in east-end Montreal. Even though between 40 and 60 abortions are performed there each week, there are no protests by placed-rising opponents like those prompted by Morgentaler's efforts to maintain abortion clinics in Toronto and Winnipeg. Observed the 60-year-old physician in an interview last week, "In a sea of mindlessness, the province of Quebec is an oasis of serenity." Still, despite the campaigns and court cases against him in Ontario and Manitoba, Morgentaler said he has no intention of giving up his crusade to recognize abortion clinics outside hospitals in every part of Canada, with the next one expected to open in Halifax in November.

Morgentaler's battles began 18 years ago, when he defied the law by setting up the Montreal abortion clinic. Charged and then acquitted by jury, but later sentenced to 18 months in jail in a reversal by the Quebec Court of Appeal—a conviction upheld in the Supreme Court of Canada—in 1975 and 1976, he was acquitted twice more by Quebec juries. With that, the Quebec attorney general's department abandoned the prosecution of abortion cases.

But if Morgentaler's cause is now widely accepted in Quebec, the abortion debate still rages in other provinces. In Toronto, where a jury acquitted Morgentaler last November on charges of conspiracy to procure a miscarriage—as an appeal by the Crown has been heard by the Ontario Appeal Court, which reserved its decision—anti-abortion protesters have kept up a daily vigil in front of his downtown clinic. During the past seven weeks police have arrested a total of 10 anti-abortion demonstrators on charges ranging from trespassing to assault. Another arrest involved a woman who was charged with the 2,000-number Ontario Children for Abortion Clinic (OCAC). "The anti-choice people are having little success in changing public policy, and so their frustration is escalating."

Certainly there is ample evidence that many North Americans are uneasy about the ready availability of abor-

tion. In the United States the increasingly vocal anti-abortion lobby persuaded President Ronald Reagan's administration to join the states of Illinois and Pennsylvania last month in asking the U.S. Supreme Court to over-



Campbell's outraged neighbors and citizens' arrests

ture in 1973 ruling that affirmed a constitutional right to abortion. Meanwhile, a poll conducted for the Toronto Globe and Mail this spring found that while 53 per cent of those surveyed supported the right of women to choose to have an abortion, 45 per cent opposed that position. Moreover, 60 per cent wanted abortions to be more freely available—but not through Morgentaler-style clinics that lack affiliation with accredited hospitals. (In recent years more than 60,000 legal abortions have been performed annually in Canada under a 1968 Criminal Code amendment that permits therapeutic abortions approved by hospital committees.) Indeed, the resistance to nonhospital abortion facilities is so strong in Man-

itoba, which opened two years ago and has since been raided four times by police, now operates only as a consulting service. Patients who visit the office are usually referred to clinics in Minnesota and North Dakota—and to three Wiscon-

sconsin hospitals. Although a series of charges of procuring illegal abortions has been laid against Morgentaler in Manitoba since 1983, provincial Attorney General Roland Power has delayed trial proceedings pending a ruling by the Ontario Appeal Court on the Toronto case—expected this fall. And in Saskatchewan, Health Minister Graham Taylor responded bitterly when Morgentaler proposed in April to set up a clinic in Regina. Declared Taylor: "We will be doing everything in our power to prevent him from establishing a clinic in this province."

Morgentaler's next battleground is likely to be Nova Scotia, where he plans to open a Halifax clinic to serve the four Atlantic provinces. CONSERVATIVE Premier John Buchanan's government has warned that it would prosecute Morgentaler. But the OCAC's Gaudier believes that Morgentaler will find enough support in Halifax.

"To keep a clinic operating," she said, "you need an organized core of community support. That is what we have in Toronto and what we did not have in Winnipeg. We believe that kind of support exists in Halifax." For his part, Morgentaler, though weary of his struggle, has indicated that if the Ontario Appeal Court overturns his Toronto acquittal he will take his case to the Supreme Court of Canada. "The judges and the establishment may be against me," he said in the quiet of his Montreal clinic, "but the people are with me. The current abortion laws are clearly in violation of an individual's rights."

—SERENA MCILROY in Toronto with DAVID HUBBARD in Montreal and GAILLE NAKER in Winnipeg

ACCEPT WITH OUR COMPLIMENTS...



THIS FINE SILVER-PLATED KEY RING FREE FROM CITY & COUNTRY HOME

CITY & COUNTRY HOME. An elegant and prestigious publication, welcomed into the homes of a select group of Canadians. Dedicated to bringing you nothing but the very best in home design and decorating.

Our complimentary gift to you. Subscribe to this beautiful magazine and receive a handsome silver-plated Key Ring as our personal gift to you. Fashioned by leading silversmiths, it's a small triumph of practicality and taste. The distinctive horseshoe shape allows you to carry your keys easily, comfortably and safely.

And by having your initials engraved on the nameplate, you make the Key Ring unmistakably yours. Lightweight, yet sturdy, it comes to you in its own protective pouch... with our compliments!



Tour Canada's finest homes

Eight times a year, through the pages of CITY & COUNTRY HOME, you can share the homes and decorating ideas of talented designers and architects... get expert advice on antiques and collectibles... discover classic heritage homes... shop in the world's fashion capitals... savor fine food and drink... learn the secrets of successful gardening... and so much more.

Take 8 issues of CITY & COUNTRY HOME at the low basic rate of \$19.95 (\$4 off the single-copy rate). Or save \$8 with 12 issues for only \$27.95.

Enjoy the magazine that's the key to good design—at special savings—and your classic Key Ring... with our compliments.

Simply complete and mail the order card today.

An author and the law



McCalla plagiarizes

A witness, two law students from Montreal's McGill University accused McCalla, 44, of plagiarizing research material that he had asked them to prepare for the federal solicitor general's office in 1983. McCalla issued bailiffs who tried to serve him with legal papers to launch a civil suit for plagiarism. Then, on Aug. 2, after a five-month investigation, the RCMP began looking for McCalla, who has apparently left the country, on charges of breach of trust and having defrauded the Law Reform Commission, a federal government body, of about \$1,000 to finance his book. McCalla's work on search and seizure is no longer available, while the author himself has become the subject of a Canada-wide warrant issued by the Mounties.

A dilemma in Dildo

Unusual place names are not rare in Newfoundland, Comby-Chance and Les Riffs Area among them. But last spring residents of the village of Gayvide on the northeast coast decided that they were fed up with the joking misnomers about their locality that their community's name provoked. They petitioned the provincial department of municipal affairs, which agreed to change Gayvide's name—to Baytana. That example inspired many residents of another Newfoundland village—Dildo—to try for a new identity as well. Dildo decided to adopt that the area is known as the birthplace of Thomas Twiss, *Playboy* magazine's 1982 Playmate of the Year. But younger Dildosers find it embarrassing that distasteful define dildo as an object serving as a substitute for the male sexual organ (Webster's). As a result, this summer electronics Robert Eiford passed around a petition to about 480 of the fishing village's 560 residents and received approval for some other, unspecified, name from about 250 of them. But a backlash developed, with some residents arguing that they liked the village name. When some of their hero heroizing Eiford on the street and by telephone, he dropped the whole idea.

Denying a crash theory

For the past seven weeks technical experts from four countries have pursued an inquiry aimed at determining what caused an Air-India Boeing 747 to plunge into the Atlantic Ocean off the Irish coast on June 23, killing all 299 people aboard. One theory is that Sikh extremists may have planted a bomb aboard the plane. Officially, the investigation still had no firm answers last week. But a front-page article in the Toronto *Globe and Mail* quoted Jack Gambie, a spokesman for the Boeing Commercial Airplane Co. in Seattle, Wash., as saying his company was satisfied that the crash was caused

by an explosion in a vulnerable part of the aircraft which instantaneously rendered the jetliner's power systems inoperable. Insisting that Boeing—which has assisted Indian, British, Canadian and U.S. investigators—had made no such finding, Gambie said that in the *Globe* article "some conversationalists and gossip had been woven together to support a theory." And James Baynton, Boeing's director of public relations and advertising, also denied another point in the *Globe* article—that Boeing had ruled out the possibility that a structural defect in the aircraft caused it to crash.

Enabling the disabled

In the summer of 1982 Florence Lesser knew that she was dying of cancer and worried about herself and the future of her 13-year-old son, Robert, who suffers from cerebral palsy and hearing disabilities. Needing more assistance and to provide for Robert after her death, the Toronto woman applied to the courts for an increase in the monthly \$1,808 in support payments that she received from her estranged husband, Mortimer. But she died before her application was heard, leaving her son—who now lives with his older brother—dependent on welfare payments. Last week a ruling by the Supreme Court of Ontario substantially improved Robert's prospects and opened the way for the disabled children of other broken marriages to benefit under a rarely used section of the federal Divorce Act. Lawyers for Mortimer Lesser, a self-made Port Hope, Ont., businessman who rarely sees his disabled son, contended that his obligations had ended when Robert's mother died. But Toronto lawyers Linda Silver Drossell and Elaine Newman argued successfully that under the Divorce Act, a surviving parent is obliged to support a child over 16 who is unable to "provide himself with necessities of life" through disability or illness. The court ordered Lesser to pay \$1,790 a month to support his son, who now will be able to continue at a special education centre for disabled people. Noting that the award was probably the highest of its kind ever made by a Canadian court, Drossell declared that the case should help to "make others aware of the possibilities of financial security for the disabled."

A policeman in court



Lefebvre vetoes

When Quebec City police constables Jacques Gauthier, 43, and Yves Tita, 35, were shot and fatally wounded while responding to a burglary alarm at an isolated suburban warehouse July 3, the ensuing hunt for the killer immediately focused on another policeman. Last week in a Quebec City sessions court, Sgt. Serge Lefebvre, 36, a 19-year veteran of the police force in suburban Ste-Foy, was charged with two counts of first-degree murder in connection with the deaths—the first shooting fatalities in the history of the 140-year-old Quebec City police force. Two days after the shooting a policeman was alleged to have impounded his superior officer and confessed to having committed "a cowardly act," and at the time of his arrest Lefebvre was suffering from a gunshot wound in the chest that was apparently self-inflicted. Judge François Tremblay set a preliminary hearing for Oct. 29. If convicted, Lefebvre would face a mandatory sentence of 25 years in prison.



GREAT CANADIAN VODKA

ALBERTA VODKA IS A CANADIAN COUNTRY VODKA. IT'S TASTE DISTILLED FROM NORWEGIAN SPRUCE.

The new race for the North

The going was rough and tedious as the United States Coast Guard icebreaker Polar Sea thrust through heavy ice in the Prince of Wales Strait last week in the western Canadian Arctic. Then, in the twilight of the Arctic summer midnight, crew members came on deck and watched a small twin-engine aircraft approach from the south, circle the Polar Sea twice, burn the ship up an altitude of about 100 feet and drop two cylinders, each roughly two feet long. The first fell on the ice, the second between the ship's two smokestacks. The cylindrical cylinder, wrapped in a Canadian flag and weighed with stones, contained a message from the national Council of Canadians that affirmed the refusal of the United States to ask permission for the ship's voyage as "intruding and trespassing on our rivers." That statement vividly symbolized Canada's Arctic dilemma. As the Polar Sea entered U.S. waters off the coast of Alaska at the end of its voyage, Canadian nationalists and security analysts declared that Canada must take control of the Arctic—or risk losing it.

Mysterious The new debate over the Arctic arises from a biteric uncertainty. Over the years the Arctic has been treated as North America's driftly wilderness. Because relatively few Canadians live or travel there, the Arctic is considered to be a mysterious region, holding a vague promise of immense riches. But whenever someone troubles to check its swirling waters, a fight invariably breaks out over who owns the territory.

The voyage of the Polar Sea reminded a dispute which began in 1980 when the privately owned United States oil tanker Manhattan made a crossing of the Northwest Passage. At issue: whether the historic Arctic waterway is owned by Canada, as Ottawa claims or is an international strait open to all nations, as the U.S. government contends. As both Washington and Moscow become increasingly interested in the strategic value of the region, a resolution of that dispute is becoming increasingly urgent.

The Polar Sea's voyage appeared unlikely to be one of the major issues facing Prime Minister Brian Mulroney when Parliament resumed on Sept. 3. Opposition leader John Turner, in a statement issued as the voyage was almost completed, described it as "an affront to

Canada." He added that Mulroney's failure to intervene personally with Washington "historically encouraged" the United States to ignore Canada's views.

Intervenor For his part, Mulroney offered little public comment on the chal-

The Polar Sea's 10 days in waters claimed by Canada also led to protests from Canadian nationalists at a time when Mulroney is actively seeking more American investment and trade deals. Still, the government did not appear to oppose the nationalists' demonstration



Achtem and Stodier planting Canada's flag as "trespassing and trespassing" voyage

lunge posed by the Polar Sea. At a Toronto press conference shortly after Turner issued his statement, the Prime Minister denied that a previously announced "Atlantic review" of Canada's claimed Arctic sovereignty had been prompted by the Polar Sea's voyage. But plans for the review were disclosed as the Polar Sea was setting out on its voyage by Barry Mulroney, director general of the external affairs department's legal bureau. But it will take a cabinet decision should Canada elect to take its Arctic claims to the International Court of Justice in The Hague

against the U.S. ship. Two Innovation and two University of Alberta students representing the Council of Canadians, a nationalist group founded by Edmonton publisher Mel Hartig, boarded a Twin Otter aircraft to mount their aerial protest. And at Inuvik airport, Brian Environment Minister Senator Blais-Greener, who was there to open a new airport, spoke to one of the students, Louanne Stodier, who was about to leave on the flight. Said the minister: "I wish you all sorts of luck and good weather so that your flag is visible." But later a Canadian Coast Guard ship-



Polar Sea entering Prince of Wales Strait: a risk of losing control of the Arctic

server aboard the Polar Sea filed a report in Ottawa, charging that the Twin Otter breached two flying regulations by making low passes over the ship and dropping objects that posed a potential hazard to the ship's crew.

Buzzing As well as buzzing the Polar Sea and dropping their message, the students—Stodier, 30, who speaks nine languages, and science major David Achtem, 31—glazed Canadian flags on Princess Floyd Island along the ship's path. The Inuvik, Roger Urbech, 31, and Edna Hill, 35, erected a puppet—A symbol of Inuit fishing and

trapping culture," said Achtem—and put up two territorial flags. But the most upset of the \$10,000 charter flight was to drop the message from the Council of Canadians, urging the Polar Sea to stop and return to international waters in the eastern Arctic. Embellished with a maple leaf and addressed to the ship captain, it said in part: "Your failure to request advance permission to sail the Northwest Passage is trespassing and trespassing on our citizens and a threat to our sovereignty. It is not the action of a thoughtful, understanding neighbor."

When they left their target on the second attempt. As two soldiers stood and stared from the deck of the Polar Sea, Achtem declared, "I think we have just saved Canadian sovereignty."

The Polar Sea focused new attention on the weakened state of Canada's northern defenses. With no military ships or submarines capable of operating in ice-infested waters, there was certain to be renewed political debate over Canada's inability to monitor submarines activity by the Soviet Union's burgeoning northern fleet. At the same time, the Arctic Ocean is becoming increasingly important as a strategic theatre, and concern is growing among members of the North Atlantic Treaty Organization about the Kremlin's plans for its northern fleet, which is estimated to have nuclear-powered submarines (page 38).

In the meantime, Canadian reports emerged that the Polar Sea was involved in military experiments during its passage through Canadian waters. U.S. officials insistently denied those claims. Then, as the ship headed toward Alaska's Point Barrow, American Coast Guard officials confirmed that U.S. Navy personnel would go aboard this week for a series of military experiments in the U.S. sector of the Beaufort Sea which appeared to be linked to anti-submarine warfare operations.

Regrets Mulroney and most of his cabinet ministers resulted almost silent on the whole issue last week. Some officials in the external affairs department, the Canadian Coast Guard and national defense handled the flood of media inquiries. The official Canadian position was that the Canada would not control the Northwest Passage and all the waters of the Arctic archipelago and that it "deeply regrets"—as it told Washington two weeks ago—that the United States does not recognize its sovereignty. Added Stodier-Greener in Inuvik: "The position of the Canadian government is one of a moderate expression of concern. We don't want to damage our future position because we intend to clarify the matter of sovereignty of these lands and waters."

It was Washington's pointed refusal to ask permission in advance for the Polar Sea's journey that offended Canadian sensitivities. But external affairs legal adviser Louanne Stodier continued that the U.S. Coast Guard did cooperate with Canada by providing details of the rebreacher's voyage and by allowing three official Canadian observers to travel aboard the ship. And in an exchange of diplomatic notes with Canada, Washington pledged that the voyage would not prejudice the legal position of either country. Fused with the instability of the Polar Sea's departure from Thule, Greenland, on Aug. 1, the Canadian government said a few-

avring statement the evening before, "authentic" the voyage.

Some critics described that action as a meaningless and embarrassing gesture. But Legault insisted that, since both countries had previously agreed the voyage would not prejudice their legal status, the action was "a very real exercise of our sovereignty, perhaps more real than a protest would have been." In fact, Ottawa never considered trying to prevent the voyage, even if it had the diplomatic or military muscle to do so. "All right, as disagree as the issue of sovereignty," said Legault, "but does that mean that we block them from ever going through there until they get on their knees and say 'excuse us'?" Canada acknowledges that foreign vessels have the right of innocent passage through Canadian waters, and "if a Soviet icebreaker had legitimate business" in the Arctic, added Legault, it too would be allowed to sail through them if it met Canadian environmental requirements and raised "no security concerns."

Transit. Per its part, the U.S. Coast Guard was planned that the Polar Sea managed to complete a textbook-perfect journey through the Northwest Passage. Coast guard spokesmen said that, despite the trip that the voyage was not a challenge to Canada's sovereignty claim but merely a shorter route to the U.S. West Coast than the usual route through the Panama Canal.

In any event, the shortest paid off. The voyage enticed to the Canadian portion of the passage, from Lancaster Sound into Baffin Bay, turned out to be virtually ice-free. But west of Resolute on Cornwallis Island, where the Polar Sea stopped to allow a northern oilfield department and a Canadian (ice scientist) to transfer aboard by helicopter, the ship slammed into a continuous sheet of ice no more than six feet thick. Then, in the narrow Prince of Wales Strait between Victoria and Banks islands the 400-foot-long, 13,000-ton vessel met its first real challenge—a thick pack of granular ice that slowed the 60,000-horsepower vessel to two knots during part of the last leg of its voyage. The ship continued to encounter heavy ice as it headed to Tuktoyaktuk. But instead of the additional 20 to 30 days required to reach the Beaufort Sea via Panama, the Polar Sea was scheduled to reach its destination of Point Barrow in 10 to 12 days.

Point Barrow was the ice navigator and also the official Canadian government representative about the American supercarrier *Manhattan* when it sailed through the passage in 1969. But, as a retired Canadian naval captain, said that in preventing the latest U.S. incursion of the Arctic Canadian is "indulging in a luxury" in matters of sovereignty and confidential offers,



Canadian icebreaker camp under construction a historical drying governments

be asked, Canadians are "not really sailing [their] weight." And he dismissed as unrealistic the demand by some politicians that a Canadian icebreaker escort the powerful Polar Sea. Noted Paton "The Polar Sea generates 13,000 more horsepower than the combined output of the four Canadian icebreakers that will be deployed in the Arctic this summer." With insufficient power to cut through heavy Arctic ice, the Canadian ships are effectively frozen out of the region for all but three months of the year.

Coastal. Ottawa is studying a costly



Proposed Polar icebreaker would cost, but problems over a \$430-million price tag

proposal that could change that situation. By year's end, Canadian Coast Guard officials will have assessed whether Canadian shipyards to build a 100,000-horsepower Polar icebreaker. The much-delayed project—on the drawing board in various forms almost since the time of the *Manhattan* ver-

ago—would be the most powerful icebreaker in the world, fully capable of operating in the Northwest Passage all year. But faced with an estimated \$430-million price tag, there is no guarantee Ottawa will approve construction. **Ineffective.** Of even greater concern to many critics in Canada's largely ineffective military presence in the Arctic. To patrol the Northwest and Yukon territories as well as the vast Arctic archipelago, the Canadian Armed Forces maintains a northern headquarters staff of 65 personnel in Yellowknife and Whitehorse. About 500 other members

designing military involvement on Canadian territory by "warfare on Canadian soil." Clearly remaining its ability to protect its northern region without American assistance, Canada has co-operated with its powerful ally by allowing the testing of cruise missiles and by entering into an agreement with the United States in March to pay \$51 million of the cost of the joint North Warning System that will replace the *NEW Line*.

Still, Ottawa has taken some strategically important steps to assert its sovereignty in the Arctic. In April a team of 36 scientists from the Department of Energy, Mines and Technical Surveys established a research station in the Arctic where they will study the effects of the ozone hole on the Arctic environment. Equipped with two beacons

and six radio altimeters, 300-cw low-Low Radar of First World War vintage and a mixture of 200 records of navigation data, the Rangers are asked to report "any unusual or unusual activities" in the Arctic. Bill Goss, a 42-year-old sergeant, has been with the group since 1985. Bill Goss, who is currently assistant executive director for the Inuit Association of Canada, said "We should have Americans help protect the Arctic because we are neighbors and are living in North America together."

The main exercise of Canada's northern sovereignty patrols is carried out in at least 16 annual northern missions flown by the sophisticated Avrocar long-range patrol aircraft (page 38). According to documents obtained by the *Toronto Globe and Mail* under the federal Access to Information Act, the principal purpose of the overflights is to help in

United States." The document is one of several, dated between 1976 and 1985, obtained by *Mothers* that suggest the powerful influence that U.S. military needs have had on Canada's northern defence policy. The findings are not necessarily endorsed by the defence department, but the studies point to a need for the Canadian force to establish a large independent presence in the Arctic.

One of the studies concluded that virtually all major defence initiatives in the Canadian North since the Second World War were launched by the United States. They included the construction of the *NEW Line* in the 1950s and the formation in 1956 of the integrated North American Air Defence Command (NORAD). The study said that Canadian military priorities were frequently overshadowed by "the real fear that if Canada did not go along, her sovereignty

Overseas near Axel Heiberg Island. The three-by-three-mile island, which is reported to contain a deposit of oil, is at least a decade, will become Canada's first semipermanent ice research station. From April until the onset of ice from the icebreakers in September, the station will consist of an array of 35 scientists will map the coast line and attempt to determine the resource potential of Canada's continental shelf.

But the Canadian effort is not original. American scientists opened two similar research stations in the Beaufort Sea from the mid-1950s until the late 1960s, and Soviet scientists have maintained a series of 20 ice stations in international waters since 1968.

Resettlement. Ultimately, federal lawyers hope the voyage will continue to highlight and limit acceptance of the Arctic will weigh heavily in Canada's favor in any eventual court challenge of its control of Arctic waters. Indeed, senior Arctic experts contend that during the 1950s the federal government resettled Inuit in the isolated High Arctic settlements of Resolute and Grise Fiord in order to reinforce Canadian sovereignty in the face of the heavy American military presence during construction of the northern route.

John Amagualik, past president of the 27,000-member Inuit Tapscott of Canada, an organization that promotes Inuit interests, was among those resettled. His family and about 70 others from the community of Inuitapik, on the eastern shore of Hudson Bay, were moved in 1953 about 2,000 km north-west to Resolute, where Canadian and American forces maintained a weather station and airstrip. Amagualik, who was five years old at the time, said that officials told his parents the isolated settlement in the center of the Arctic archipelago offered better housing and fishing than their Quebec homeland. It was not until later that they learned that a desire to reinforce Canadian sovereignty in the area was probably the government's real motive. "I remember landing on the beach in the August or September. It was snowing great big heavy snowflakes," Amagualik recalled. "Everything was grey. It was like landing on the moon."

After more than a decade of homesickness and suffering in the harsh climate, Amagualik's family returned to Northern Quebec at its own expense—another human casualty of the vast and forbidding hinterland that has for so long defied Canadians and their governments. And it is a much more widely growing strategic importance that may no longer permit the luxury of abandonment.

—KEN McLEOD with JOURNAL NEWSPICES in Inuit



Summer annual activity



Maintaining a watch on the North

The green-and-yellow business coats carried by the crew of "Eagle Six Problems" (Creston, Crew Six, N 401 Squadron) The squadron's shoulder patch is more direct, depicting a red trident piercing a black submarine. The 22 Canadian crewmen fly a plane that many aviation experts call "the Cadillac of anti-submarine aircraft"—one of Canada's 18 Lockheed A-6A's, a four-engine turboprop plane built in the United States as the Orion and equipped with state-of-the-art electronic sensors and torpedoes. Assigned to the Canadian Armed Forces base in Comox, B.C., Crew Six usually patrols Canada's West Coast or armed training flights or for surveillance of vessels in Canadian waters. But last week the crew flew to Baffin in the Northwest Territories to carry out a different kind of mission. Their quarry was the U.S. Coast Guard icebreaker Polar Sea on its voyage through the Northwest Passage. Explains Maj. Henry Thomas, 41, one of the plane's pilots: "One whole mission is to remind everybody, including our own people, that the Arctic is part of Canada."

Priority. The flight was originally scheduled four months ago as just one of a series of Northwest-bound flights. Armed Forces' planes—that are carried out each year as part of Ottawa's assertion of Canadian sovereignty in the Arctic. But the message of the U.S. icebreaker through Canadian waters made surveillance of the vessel the main priority on this flight. "It's unusual for ships to make visits in Canadian waters where there are no contingencies," noted Thomas, adding that "it would be seen from a Canadian viewpoint" if the foreign icebreaker turned out to be in need of assistance.

Born though its mission was distinctly political, the Aurora's nine-hour flight began routinely. As is usually the case in the Arctic, the Aurora—which has a seven-seat tactical navigation centre and anti-submarine warfare compartments—did not carry its eight computer-guided torpedoes. That is because there are no facilities for such weapons in the North, and the Arctic climate makes the performance of the cold-sensitive torpedoes unpredictable. Armed only with a wide-angle camera mounted in its belly, the Aurora climbed above Baffin at 215 m, and flew north over the Mackenzie River delta, a wide mud wedge dotted with lakes and rivers the



Crew Six's Capt. Steve Brobert (left); Thomas, an Aurora pilot: the Canadian reminder

edges of blubberies. Over the Beaufort Sea the plane spotted the Canineel, a Canadian Coast Guard icebreaker that was sailing through pack ice, escorting two large towing barges loaded with supplies for the Arctic communities in the area.



glen's delicate environment.

The flight's primary observation target—the Polar Sea—proved more elusive. Flying around the southeast corner of Banks Island and up the Prince of Wales Strait, the crew began to map out ice conditions and, as they made visual contact increasingly difficult, to search

by radar for the U.S. icebreaker. Then, three hours after leaving Baffin, the Aurora located the Polar Sea under a dense fog bank at the northwest mouth of the strait.

Snapping. With radio contact established, the Polar Sea's radio operator told the plane's crew that the ship had some vulnerability and was anguishing around the ice field at a speed of only four knots an hour. "We are working the hard to get down the strait," he said, and welcomed the Aurora's report, open water halfway down the strait.

Aboard the plane the members of Crew Six prepared sandwiches in the Aurora's galley for lunch and crowded into the cockpit to catch a glimpse of the icebergs and beluga whales below. Declared Lyndon Kroeker, the plane's 31-year-old first officer, who grew from Bruderheim, Alta.: "It's kind of hard to believe how much North there really is up here." Even

though the crew had not managed to use the Polar Sea directly, Thomas felt that their mission had been fulfilled. "We take pride in the fact that we were here last month," said Thomas, "and will be here next."

—ANDREW NICKFORTH, in Toronto



Majors, tanker Markham: the importance of protecting when rights are violated

A questionable claim

From the time Martin Prosser reached the shores of Baffin Island in 1578, British explorers led the search for a Northwest Passage as a shorter sea route between Europe and Asia. But by 1880, when Britain handed over the Arctic mind to Canada, there was little interest in the vast, frozen region. As a colonial office bureaucrat dryly noted in a memorandum at the time, "The object in annexing these re-

fered—the claim has not been tested before any international body. Other nations generally accept that Canada has sovereignty over the Arctic islands. But as the issue of Canadian control over the Arctic waters, Geoffrey Munro, an authority in maritime law at England's Cambridge University, notes: "It is not as open and clear-cut as it's a very ambiguous position."

Canada's active involvement in the High Arctic began in the 1960s, when



Ottawa dispatched exploration and patrol expeditions to the region. On July 1, 1969, Capt. Joseph Bernier of the Canadian government ship Arctic led on Melville Island and unveiled a plaque asserting Canadian sovereignty over "the whole of the Arctic archipelago, lying to the north of America, from

longitude 90° west to longitude 140° west" extending to the North Pole—a triangle that encompasses 58 million islands of at least 100,000 acres each, plus scores of smaller islets.

In the Second World War the Canadian Arctic took on more importance. The United States, with Ottawa's approval, built weather stations in the region and a chain of airfields that formed the Northwest Staging Route for delivering aircraft to the Soviet Union. Later, in the 1950s the Distant Early Warning radar system (DEW Line) was established to signal any attack by Soviet strategic bombers. Since then, the Arctic's resources gained out as became abundantly apparent. Canadian and foreign oil companies have estimated a potential of 8.5 billion barrels of oil in the Beaufort Sea area, and larger reserves of natural gas—an estimated 65 trillion cubic feet—in the High Arctic.

In recent years concerns over Canadian sovereignty in the region have been raised by U.S. ships—the tanker Manhattan in 2003 and more recently the Polar Sea—sailing through the Northwest Passage. The Manhattan's voyage prompted Ottawa, which declared a 15-mile territorial limit along all of its coastlines in 1980, to pass the Arctic Waters Policing Prevention Act. But that law, which claims Canadian environmental jurisdiction up to 100 miles off its Arctic coasts, has never been accepted by Washington.

Divided. Shaking by the voyage of the Polar Sea, External Affairs Minister Jean Charest has announced the possibility of taking Ottawa's case to the International Court of Justice at The Hague, the Netherlands. But experts are divided on what the outcome would be. For his part, Munro believes that while Canada's "sovereignty has sovereignty" over the Arctic waters, foreign vessels of 120 metric tonnes offshore, foreign vessels also have the right of "suspendable (seasonal) passage" between them—meaning that a ship that poses no military or environmental threat would normally be free to sail through such waters. But Prof. Gerald Morris, an expert in international law at the University of Toronto, notes that the International Court "studies a lot of important issues in governance of maritime space and from records of at least protesting gate signally whenever its international rights are being violated"—something that Ottawa conspicuously failed to do over the voyage of the Manhattan and the Polar Sea. And Morris predicts further U.S. challenges to Canada's Arctic claims. Says Morris: "The Polar Sea voyage is obviously the opening move in a larger game."

—MICHAEL BORDO, in Ottawa with DAVID MORTIMER, in Seattle



An undersea struggle for supremacy

While the U.S. Coast Guard icebreaker Polar Sea tested Canada's territorial claim to the Northwest Passage last week, there was mounting evidence that a far more serious struggle for supremacy between the superpowers may be developing in the waters beneath the arctic ice. Some military experts say that nuclear-powered Soviet and U.S. submarines armed with nuclear weapons may soon be the northern reaches of Canada into a deadly arena of superpower rivalry. As advances in submarine and electronics technology combine with shifts in nuclear strategy, the first tentative moves toward regular undersea patrols may already be under way—without Canada's permission or knowledge. Said Cynthia Canineen, a research fellow in the Strategic Studies Program at the

University of Calgary, "From what I can see, the Americans have just as low regard for Canadian sovereignty up there as the Soviets elsewhere."

Prepositions: Some military analysts say Soviet submarines have begun to infiltrate Canadian arctic waters, while a new generation of giant Soviet submarines may even have the capacity to fire missiles through the arctic ice. For its part, the U.S. Navy has stepped up its research into arctic submarine operations, and it may have begun development of a new attack submarine specifically designed to operate under the ice. Moreover, says Western military analysts say that if the Soviet Union decided to hide missile-carrying submarines in the Arctic—where the conventional deterrence methods of detecting the resulting threat could present a destabilizing element in the

precarious East-West balance of military power.

Twenty-seven years ago the nuclear-powered U.S. submarine Nautilus became the first vessel to navigate at length beneath the North Polar ice cap. But it is only in the past several years that military analysts have begun to view the Arctic as a potential theater for future naval battles. Indeed, the North Atlantic Treaty Organization's anti-submarine patrol now still extends only from Europe to the western coast of Greenland. That is apparently because, in the eyes of NATO, the Arctic is too inhospitable for Soviet submarines to cross the North Pole and enter the Atlantic through Baffin Bay, the ice-clogged passage between Greenland's west coast and Canadian Ellesmere Island.

U.S. military spokesmen are guarded in their statements about their own sub-

marine operations—and those of the Soviets. But it is clear that many traditional military preconceptions about the Arctic are changing. One reason, according to Canineen, is the existence of intelligence reports which indicate strongly that Soviet submarines have already entered the North Atlantic through the unpatrolled Baffin Bay route. Another is the development of the latest class of Soviet submarines—designed for launching nuclear-armed strategic ballistic missiles at targets in the United States. U.S. military experts say that the new ships—called the Typhoon class by Western navies—may be designed to fire missiles through the arctic ice while submerged. They add that the new submarines are designed to surface by punching through at least 100 feet of ice. The new Soviet vessels are also equipped with a displacement of 25,000 tons and the capacity to carry 30 ballistic missiles, equipped with up to nine nuclear warheads each.

Risks: Operating under the ice carries a number of risks, but Roman Kasak, a research analyst at the Washington-based Centre For Defense Information, says that the Arctic might also offer many advantages for the Soviet strategic nuclear submarine fleet. According to Kasak, the 3-to-1 advantage that the United States and its NATO allies currently hold over the Soviets in large ocean-going surface warships means that the Western navies "have to leave control of the world's seas." That provides a kind of umbrella for U.S. nuclear-armed submarines, giving them increased freedom of movement and the ability to hide almost anywhere in the world's waters. Under those circumstances, noted Kasak, the Soviet underwater fleet is "basically bottled up." In wartime Soviet ships have to pass through channels controlled by NATO. But the arctic ice provides a way for Soviet submarines to hide in close proximity to North American targets. If the Kremlin takes full advantage of that

possibility, the difficulties of under-ice navigation and communications could make it extremely hard for U.S. hunter-killer submarines to stalk Soviet strategic missile vessels.

To deal with that prospect, the U.S. Navy over the past five years has equipped its arctic Anti-Submarine Warfare (ASW) research. Indeed, in its 1984 budget request the navy noted that it had "urgent requirements in arctic ASW." These needs include the development of a new attack submarine to replace the Los Angeles-class vessels that the U.S. Navy has apparently upgraded for arctic operations. Another key plan, known as Ice Pick, calls for the development of a method of locating submarines under the ice by dropping from the ice microphones equipped to drill through the ice and fall to the vessel. The U.S. Navy is also developing a new Extremely Low-Frequency (ELF) radio system that is expected to be in operation by 1988 to assist all submarine operations. The new system will enable U.S. submarines for the first time to maintain radio contact with naval command while fully submerged and without resurfacing.

U.S. Navy researchers also have to confront the extreme difficulties and dangers that under-ice operations entail. According to the U.S. chief of naval operations, Admiral James Watkins, a submarine captain who is considering embarking on an under-ice operation with his command has to first ask, "Am I moving into the valley of death by entering a canyon I can't get out of?" In the arctic waters, edges of ice that sometimes extend to depths of 1,500 feet have apparently forced U.S. submarine skippers on occasions to squeeze their submarines through gaps that were only a narrow margin of safety. As well, the constant shifting and breaking of the ice can trap the vessels. And the irregular shape of the ice cap's bottom and the extreme water temperatures during winters rendered it nearly impossible for the submarines to plot their courses underwater. Not only that, the noisy grinding of the constantly churning ice pack can cripple the sophisticated computer-operated underwater microphone systems that modern submarines use to search for other vessels and pinpoint navigational dangers.

The U.S. military's new interest in the

arctic waters has also raised sensitive issues related to Canadian sovereignty. Earlier this year Sovietists working on a U.S. government research project near the North Pole—and possibly in territory claimed by Canada—conducted seismic tests to explore the underlying characteristics of arctic waters. And Canineen, for one, noted that "unless some fault were within earshot," U.S. scientists could "listen experiments" up there and would never know about it.

Betlink: In the meantime, the possibility that the focus of future naval warfare might eventually shift into the Arctic has raised fundamental questions about nuclear strategy. Currently, most military planning is based on the theory of Mutually Assured Destruction (MAD). That is a belief that as long as nuclear stockpiles of the United States and the Soviet Union are approximately the same size and equally protected from attack, they will act as almost certain deterrents. As a result, Kasak said that if the U.S. or NATO develop systems for locating and attacking submarines under the arctic ice, it could destabilize the balance of power. The reason U.S. strategic submarines would remain relatively safe because of the comparative freedom they enjoy to travel the world's oceans, while the Soviets might become convinced that important elements in their nuclear submarine fleet were threatened. In a crisis, Soviet leaders might be tempted to launch an attack on the U.S. nuclear missile "cannon," a first strike rather than see their subs destroyed.

At the same time, the growing interest in the Arctic's strategic possibilities has caused a political and defense dilemma for Canada. The Canadian navy's NATO role is primarily to find and attack hostile submarines. But in the event of a Canadian Armed Forces is not equipped even to find submarines. While Powers over the past two

decades have urged Ottawa to acquire at least one submarine capable of operating in the Arctic, Army Canada says that would leave Canada to track Soviet—and U.S.—submarine movements in Canadian waters. But with a single nuclear-powered hunter-killer submarine costing about \$500 million, it seemed unlikely that Ottawa would set on these recommendations in the near future.

—GAIL MITCHELL in Washington with
KEITH CHARLTON in Moscow



Drawing of Soviet class IV sub; Canineen, Inset



Police prepare to confront protesters at a Cape Town university; indications of imminent changes in the apartheid system

WORLD

A sweeping violent change

Surrounded by searing interracial violence in South Africa last week, a funeral was held for Khumbi Khumalo, a 16-year-old black girl whom police had shot. But the crowd, which gathered in a tent in the dusty black township of Doreyton, 64 km from Johannesburg, had come primarily to hear the minister's eulogy. Under the government's three-week-old state of emergency, only ordained ministers were permitted to speak at funerals, and even they were not allowed to criticize apartheid, South Africa's system of racial segregation, or any aspect of official policy. But the minister in Doreyton last week was Desmond Tutu, Anglican bishop of Johannesburg, Nobel peace laureate and an impassioned critic of white minority rule. Ignoring the dictates of the emergency law—and the security forces surrounding the funeral tent—Tutu declared, "I have been a priest for 34 years, and I have never been told what to preach and I am not going to start now. If I have to go to jail for preaching the gospel, so be it."

With that, the 35-year-old bishop described apartheid as the root cause of the violence now sweeping through South Africa and he pleaded for talks

between the Pretoria government of President F.W. Botha and the nation's black leadership. Tutu's defiance was one of several breaches—and the only one—in the government's efforts to exert control over a climate of gathering crisis in South Africa.

In the port city of Durban, where most of the nation's 370,000 Indians reside, mobs of black Xhosa youths went on a furious four-day rampage of shooting, arson and theft, driving more than 1,300 Indians from their homes in the mixed township of Inanda, north of the city. As they did drug-dealing and rioting in Durban in 1989 which claimed 142 lives, the Indians fought back, forming vigilante groups armed with guns against the spear-carrying blacks. By Sunday, more than 54 people were dead and some 300 wounded—the highest cas-

ualty toll for a single week this year. Among the losses (pilgraged one that belonged to the late Mahandas Gandhi, the Indian leader and apostle of nonviolence, who lived in Durban at various times between 1885 and 1914).

Violence erupted in Cape Town and elsewhere as security forces struggled to contain the riotousness of the nation's 23 million blacks. In Bredafort, an isolated town 425 km north of Johannesburg, police fired tear gas and rubber bullets at protesters who took refuge in the home of Winnie Mandela, wife of Nelson Mandela, the imprisoned leader of the outlawed African National Congress (ANC).

In response, Botha declared that the emergency measures, which apply to areas around 36 towns and cities, might be extended. "I am not going to get hysterical," Bo-



Arising students: a furious four-day rampage of shooting, arson and theft

tha said. "But if necessary, we can take stronger steps than we have taken so far." To that end, the government ordered police to impose curfews and to limit the movement of blacks.

At the same time, a widely published trial was under way in the Natal capital of Pietermaritzburg. Conducted under tight security in the red-brick Supreme Court building, 36 leaders of the United Democratic Front (UDF), the nation's

chief anti-apartheid organization, are accused of a wide-ranging conspiracy, in alliance with the ANC, to create "a revolutionary atmosphere" that would lead to the overthrow of the government. During three days of preliminary arguments, defense lawyers asked the court to dismiss the 360-page indictment as too sweeping. Corroborating, they argued, would make even rhetorical criticism of the government a crime. A decision an-

the motion was expected this week. Meanwhile, at Pretoria's request, senior officials of the U.S., French and West German governments met South African foreign minister R.F. Botha last week in Vienna and Frankfurt. Details of the talks were not disclosed, but in Washington Reagan administration spokesmen released South Africa's commitment with Western governments and indicated that sanctions are apartheid were expected soon. In fact, there was increasing speculation that President Botha would announce racial reforms this week, when the ruling National Party holds a political convention in Pietermaritzburg. The reform package, the latest in a series of apartheid changes, may contain laws that would grant citizenship to all South Africans, including blacks living in independent homelands, allow urban blacks to own land and relax labor control laws, which require blacks to carry restrictive travel passes.

The government is clearly consumed by the impact of apartheid, but it is not prepared to dismantle the system itself. President Botha himself made that clear last week during a brief visit to KwaNdebele, a black homeland north of Pretoria. In a thicketed hall on the S.B. Shosha game reserve, Botha, flanked by the conventional chief ministers, Bheko Shosha, and moved to survive South Africa's system of apartheid racial and ethnic development despite threats of economic sanctions from abroad.

At the same time, foreign minister Botha (he is also the president) emerged from his talks in Europe insisting that the U.S. government had not demanded the immediate lifting of the state of emergency. "The Americans have not generated us with an ultimatum," Botha said. "It is not their right to do so. There is no need. We have never been anything but good friends." Indeed, South African officials said that they were delighted last week when Reagan told reporters that he did not intend to change his policy of "constructive engagement" with Pretoria. Nonetheless, the President added, "we will be helpful to blacks in South Africa" and to other black African nations that trade with Pretoria. In response, South Africa's state-owned radio said that the nation had "no more dependable ally" than Ronald Reagan.

Still, Washington officials made clear that they are pressing Botha to act swiftly to end the violence, which has led to almost 500 deaths, almost all of them black, in the past year. Dearest state department spokesman Bernard Kalb "Racial polarization is rising. It is imperative that the South African government and responsible black community leaders take steps to forestall such confrontations." Added Bishop Tutu "Un-

Police watch mourners looting shops after a funeral steadily increasing militancy



Winnies pressure

less we really get down to the business of talking we are going to have a monumental catastrophe in this country."

The Durban riots added a new and profoundly disturbing dimension to the crisis. Until last week, the port city—evicted from the state of emergency—had been relatively quiet. But on Aug. 1, black civil rights lawyer Victor Mxenge, 44, one of the defense lawyers in the Peter Marabuto trial, was murdered after other blacks under his home. Her death—she was shot in the neck, her skull split open by a mortar—sparked the broadest unrest in the predominantly black townships outside of Durban. The rioting spread to other townships, and the Indian military's control of Durban's Indian trade and was Indian to a semblance of "the system," hence as they participate in a two-tier parliament introduced last year for the country's Asian and colored—but not black—populations. There is also increasing tension between non-activists and black loyal to Zulu leader Gunda Buthe, chief minister of the KwaZulu tribal homeland, which includes Durban's black township of Umhlati. At an Umhlati memorial service for Mxenge last week, clashes between the two factions erupted into an orgy of looting and burning that spilled over into nearby Indian townships. Buthe, one of only a handful of black leaders publicly opposing economic sanctions, blamed the rioting on infiltrators linked to the ANC, declaring: "It is necessary to present this kind of politics [daggers as the black leaders struggle]."

Then, a new crisis loomed. Beginning on Aug. 25, more than 300,000 real and gold miners plan to strike at 20 mines across the country, seeking higher wages and a shorter work week. Gold accounts for half of South Africa's foreign currency earnings, and a prolonged strike, analysts say, could deal a powerful blow to an already debt-burdened economy. Last May another strike had broken when one mine company fired 34,000 employees. But now, said the union's general secretary, Cyril Ramaphosa, "We have serious doubts that the industry will consent to deals by dismissing 30,000 miners."

But even more to the movement is severely limited. He has extended the state of emergency, making any release, as far as the first time since 1980, an enormous pressure, risking accelerated demands for even more compromise. Still, says the Durban newspaper, it offers the chance of defusing the crisis. Choosing that course could mark a historic turning point in Pretoria's relations with black—and perhaps after the course of South Africa's development forever.

—MICHAEL FORNER with ALLEN STANKE in Johannesburg

JAPAN

Remembering the bomb

At precisely 8:15 a.m. the bombing of Hiroshima fell still but for a sudden wall of smoke and falling temple bells. Death overtook those, prisoners hurrying to work stopped. Just Tuesday morning and observed a nation's silence to mark the 30th anniversary when, exactly 40 years earlier, an American bomber dropped an atomic bomb on the city. At the city's central park, 50,000 people—among them Japanese Prime Minister Yasuhiro No-

zoe, Soviet leader Mikhail Gorbachev, and a host of Washington to join the Soviet Union's first nuclear test—stood in front of the ceiling of nuclear weapons. Washington had agreed the nuclear test, revealing that it was meaningless without verification measures. Then, President Ronald Reagan surprised even his own advisers by offering to join Moscow's test too—but only after the United States completes trials of new missiles, perfect test run. The White House hastily denied that the President had broken new ground, and one independent news outlet said the offer was "a no-nonsense, affordable comment which has no real meaning in negotiating terms."

Meanwhile, in the Cook Islands, leaders of South Pacific governments voted overwhelmingly to declare their own territory a nuclear-free zone. Their new forbids the ownership, use, stationing or testing of nuclear devices. But while Australian Prime Minister Robert Hawke described the so-called Treaty of Rarotonga as a "remarkable achievement," others were skeptical. Sydney-based British Overseas member Mervyn Shivers, for one, denounced the pact as inadequate, noting that it failed to prohibit weapons carried on surface ships and submarines that patrol the area.

But nowhere is the pressure to control the arms race expressed as powerfully as among the physically or mentally disabled survivors of the Hiroshima bombing, that victim in Japan as in the Atlantic. Last week they at the shrine of Nagasaki, where a second atomic bomb was dropped on Aug. 9, 1945, quietly shared their anguish and fear. Their message for nuclear disarmament was recently expressed by Hiroshima Mayor Takashi Araki, himself a hibakusha who lost his younger son to radiation sickness. Wounded Araki at the memorial service in Hiroshima. "Today's hesitation is tomorrow's destruction."

—ANNE MICHELLE with PETER WIGLEY in Tokyo and DAVID NORTH in London



Hiroshima memorial anguished

Put your love to the test.

How much love do you have to give?
Answer these simple questions and find out.

If I saw a lost, frightened child on my street, I would immediately stop and help.

☐ YES ☐ NO

I often feel frustrated and helpless when I see a news story about desperately poor or sick children.

☐ YES ☐ NO

I believe that no child should ever have to do without nourishing food, decent housing, medical care, or schooling.

☐ YES ☐ NO

I think that the best way to help children is not through hand-outs—but rather, by teaching families and communities to help themselves.

☐ YES ☐ NO



I believe that impoverished children should receive help within their own families.

☐ YES ☐ NO

I especially wish there were an effective way I could personally help just one desperately poor child and family.

☐ YES ☐ NO

If I could be assured that my money was being spent effectively, I would definitely consider helping.

☐ YES ☐ NO

If I could help a child for as little as 75¢ a day, I would.

☐ YES ☐ NO



If you answered "YES" to these questions, you are the kind of person who can help a desperately poor child overseas...

...through Foster Parents Plan. In fact, for just 75¢ a day, you can make it possible for the child and family you sponsor to have medical care, decent housing, schooling...and hope. Imagine. Your spare change could change a child's life.

Through pictures. Detailed progress reports. And letters from your Foster Child.

How can you sponsor a child now and pass the test of love? Just answer "YES." Mail this entire application, or call toll-free 1-800-268-7174.

Your love does make the difference.

CALL TOLL-FREE ANY TIME 1-800-268-7174

Information will be sent immediately (in British Columbia, 1-604-268-7174).

 FOSTER PARENTS PLAN OF CANADA <small>(An International Business Development Agency)</small>	
100-11 CLARE AVENUE WEST TORONTO, CANADA M9P 1P6	
I want to be a Foster Parent if my boy <input type="checkbox"/> girl <input type="checkbox"/>	or where I live need a girl <input type="checkbox"/>
city <input type="checkbox"/>	age <input type="checkbox"/>
Residence my first payment of \$20.00 Monthly <input type="checkbox"/>	\$80.00 Quarterly <input type="checkbox"/>
\$100.00 Semi-Annually <input type="checkbox"/>	\$275.00 Annually <input type="checkbox"/>
I am 1 () Second () Third () Fourth () Fifth () Sixth () Seventh () Eighth () Ninth () Tenth ()	
Please send this form to: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/>	Address <input type="text"/>
City <input type="text"/>	Prov <input type="text"/>
Code <input type="text"/>	Country <input type="text"/>
I wish communication with PLAN to be in English <input type="checkbox"/> French <input type="checkbox"/> PLAN agency in: Bolivia <input type="checkbox"/> Brazil <input type="checkbox"/> Chile <input type="checkbox"/> Colombia <input type="checkbox"/> Ecuador <input type="checkbox"/> El Salvador <input type="checkbox"/> Guatemala <input type="checkbox"/> Honduras <input type="checkbox"/> India <input type="checkbox"/> Indonesia <input type="checkbox"/> Kenya <input type="checkbox"/> Laos <input type="checkbox"/> Mexico <input type="checkbox"/> Nicaragua <input type="checkbox"/> Panama <input type="checkbox"/> Paraguay <input type="checkbox"/> Peru <input type="checkbox"/> Philippines <input type="checkbox"/> Portugal <input type="checkbox"/> Rwanda <input type="checkbox"/> Senegal <input type="checkbox"/> Sierra Leone <input type="checkbox"/> Somalia <input type="checkbox"/> South Africa <input type="checkbox"/> South Korea <input type="checkbox"/> Sri Lanka <input type="checkbox"/> Taiwan <input type="checkbox"/> Thailand <input type="checkbox"/> Trinidad <input type="checkbox"/> Turkey <input type="checkbox"/> Uganda <input type="checkbox"/> United Kingdom <input type="checkbox"/> United States <input type="checkbox"/> Venezuela <input type="checkbox"/> Zambia <input type="checkbox"/> Zimbabwe <input type="checkbox"/>	
PLAN is a non-profit organization registered as a Canadian Charitable Organization by the federal government. Contributions are deductible.	



Israeli civil servants protesting austerity measures: a national nuisance

ISRAEL

A nation at the limits

The phenomenon is an unmistakable one, to many Israelis, distasteful banner of their nation's mood. Israel, the country that has provided hope for oppressed Jews around the world, has begun to disillusion its citizens. Inflation, political uncertainty and religious divisions are leading increasing numbers of Israelis to leave the promised land. Last year emigration exceeded immigration by a record 17,000 people. This year, officials predict, the net exodus could reach 30,000. Many Israelis view the development as a symptom of a national malaise which the government has chosen to ignore. Declared Simcha Lohav, the former director-general of Israel's immigration office, "The government is deliberately playing down the seriousness of the emigration problem."

Preceding over the crisis is the calm but uncharismatic prime minister, Shimon Peres, 62. His week, after 18 months in office, has been a roller coaster. Last week, the Labor Party ended a unique power-sharing agreement with the leader of the conservative Likud party, Yitzhak Shamir, over the foreign minister's order which Peres would yield the reins of office after ten years. Few observers, however, expect the accord to be honored. Sometime before October, 1986, when Shamir would otherwise assume the prime ministerial post, Peres is supposed to dissolve the national unity government and call an election. The issues will not be in doubt. The nation's

inflation rate of nearly 800 per cent, rising political extremism at home and the search for a response to peace overtures by the moderate Arab states.

Many observers say that Peres has probably achieved as much as he could during his first year in office. Inheriting the legacy of Israel's costly military occupation of south Lebanon, he orchestrated a phased withdrawal of about 18,000 Israeli troops, leaving only a few

dozens left behind to help police a buffer zone. More than 600 Israeli dead during three years of occupation, leading to a bitter domestic debate about the value of the Lebanese war. Last week two more Israeli soldiers died in a gun battle with Shi'ite guerrillas in only six kilometers north of the border. The deaths led to renewed debate over whether to maintain Israeli patrols in the buffer zone or risk rocket attacks on Israeli settlements in the north by withdrawing completely.

There is even less agreement on how to strengthen Israel's overstretched economy. A series of austerity measures have been adopted, but many critics say that Peres has postponed provoking the tough fiscal policies needed to restore economic health. The government distrib-

utely deferred introducing harsh measures, explains Uri Saver, Peres's press counselor, to enable it to "bring the fever down before going into surgery." A series of only partially successful price and wage freezes has reduced inflation to about 255 per cent in 1985 from 400 per cent last year. "This is not so great," Saver concedes, "but now we are into surgery."

Still, most analysts do not expect swift results. The main problem, economists say, is excessive public spending. But most Israeli insist that the defense budget, which alone accounts for almost one-third of all public expenditures, must be maintained. And while the government has proposed cuts in the civilian civil service, Israel's powerful labor unions are resisting.

The crisis has clearly taken a heavy toll on the nation's social fabric. One of the most serious in the nation rose in popularity of Rabbi Meir Kahane's openly racist Kach party. Last month the government acted to outlaw racist political parties, but, after a recent series of random murders by Jews of Jews, observers say that Kahane's message—expulsion of Israel's two million Arabs—is gaining new adherents. The public mood has forced Jerusalem to adopt a tougher line toward Palestinians on the West Bank. Last week, for the first time in five years, the government moved to expel a Palestinian busline owner, Haili Abu Khd, who had earlier served a 10-year prison sentence for terrorist attacks.

In that political climate many analysts say that Israeli achievement can be expected in the Middle East peace process. Despite the withdrawal from Lebanon, the government is divided on the steps to take next. Shamir's Likud coalition opposes any territorial concessions on the West Bank and Golan Heights. Peres has traditionally shown little willingness to relinquish land for peace. As a result, the issue may dominate the next election campaign. If that happens, Labor officials say they are confident on Peres's personal popularity to carry the party to victory.

In a recent opinion poll, 47 per cent of the respondents named Peres as the most serious risk to the land the country. His current rise seemed only seven per cent. If Peres does not obtain a strong mandate, analysts declare, the country will face continued economic and political malaise—and still higher levels of emigration.

—DAVID HENSTEN in Jerusalem



Kahane openly racist



Demonstrators in downtown Santiago last week: a day in defense of life

CHILE

An angry fight over rights

On April 22, in an incident that caused grave concern among members of Chile's political opposition, Carmen Hales was abducted in front of her Santiago home by a group of men in a taxi. The daughter of a former cabinet minister and sister of a Communist Party activist, Hales was held for a day and a night by her kidnappers, enduring repeated interrogation and physical abuse before being released on a city street. But the 30-year-old psychologist continued to insist vehemently on her life, and last week she was kidnapped a second time while driving to her workplace.

After 24 hours, but only after an appeal to President Augusto Pinochet by her father, "This is once again the action of organized groups which have defied the authorities," and Alejandro Hales, "They kidnapped me when they want. They release me when they want."

Hales's kidnapping was the latest in a series of human rights abuses by right-wing extremists that have angered many Chileans and rocked Gen. Pinochet's military regime. Just days before the abduction, a six-day judge imprisoned 14 policemen in the murders of three Communist Party members who were found on a roadside in March with their throats cut. Judge José Caceres, who spent last week to try the case after a military court refused to handle it, admitted that Chile's secret police, the carab, had provided evidence against the suspects—indicating a continuing feud

between the police forces. As a result of Caceres's revelations, which led to street demonstrations, the head of the carabineros, Gen. Oscar Mendon, resigned from the ruling junta and his successor, Gen. Raúl Sanguinetti, promptly dissolved the police intelligence unit linked with the murders.

But the measures failed to satisfy public opinion. Last week crowds protesting the case of the two kidnappings (the first was with life threats) and other human rights cases climbed repeatedly with security forces. In Santiago last police attacked a group in a rioting to the tomb of the slain Commissioner and reportedly shot dead a 19-year-old boy in a separate clash. Then, at week's end police and water cannon to disperse a crowd gathered in the capital's main square for a demonstration "in defense of life." Earlier, Pinochet banned 14 leaders and human rights leaders to a remote southern island.

Disparaging Pinochet's threats of further repression, opposition leaders signed a statement last week pledging to seek jointly for the return of democracy to Chile. Still, many diplomats said that the controversy over human rights had not placed Pinochet's rule in immediate jeopardy. "People may say that this is another nail in the coffin of the regime," one Western envoy said, "and they may be right. But have you seen how many nails it takes to make a coffin?"

—MARTIN GEE with correspondent reports

MONROVIA

The quest for Arab solidarity

The Arab world, though divided by conflicting ideologies and objectives, has maintained at least a semblance of unity through the 30-year-old Arab League. But increasingly bitter disputes have weakened the 22-member organization, forcing the repeated postponement of regular summit meetings since the last such gathering in Fez, Morocco, in September, 1982. Last week, in Cairo, the league finally assembled for an emergency summit convened by King Hassan of Morocco. Hassan's goal: to "bring our brothers together" before the league collapsed.

In any event, few member states boycotted the meeting—Syria, Lebanon, Algeria, South Yemen and Libya—and only 10 of the rest sent their leaders (Egypt was suspended from membership after signing a 1979 peace treaty with Israel). Heading the agenda was the issue that provoked the Syrian-led boycott—the future of the stateless Palestinian and their mother organization in the league, the Palestine Liberation Organization. King Hassan of Jordan and two chairmen Yasser Arafat sought support for their proposal to set up a Palestinian state, in confederation with the league, the Palestine Liberation Organization. King Hassan of Jordan and two chairmen Yasser Arafat sought support for their proposal to set up a Palestinian state, in confederation with the league, the Palestine Liberation Organization. King Hassan of Jordan and two chairmen Yasser Arafat sought support for their proposal to set up a Palestinian state, in confederation with the league, the Palestine Liberation Organization.

Some league members were disappointed by the refusal of the Saudi King Fahd to send a representative, and the Syrian "retrograde" But last Hassan stressed accomplishments, including a compromise formula on the Palestine issue which neither accepts nor rejects the Jordanian-150 initiative, the league's special committee on the Arab dispute and a call for an end to the 30-year-old Iran-Iraq War. Just as importantly, Hassan said, the Arab leaders had set the stage for a regular league summit tentatively scheduled for November in Riyadh, the Saudi capital. "We are sorry to see the empty shells, but we will have to see the near future we can all meet together." □

Baseball's fans strike out

The major-league baseball players' strike of 1985 will not warrant more than a footnote in the sport's exhaustive record books—a 48-hour postponement of 25 games. In the labor history of the troubled game, it will be remembered as the second strike in a four-year period, a major victory for the players' union and a minor triumph for the league's commissioner. But the millions of North Americans whose entertainment dollars sustain the game will more likely remember the two days last week as a needless interruption in one of their favorite summer pastimes.

The main issue in the strike were salary limits and the pension fund of 790 players whose average annual incomes exceed \$380,000 (18). At the same time, the 30 team owners—individual millionaires and corporations—said they are paying their employees so much that they are losing money. For the fans, a spectator's banner hung at Pittsburgh's Three Rivers Stadium on the eve of the strike seemed to express a widely shared sentiment. It read: "Go ahead, strike—Make my day."

It was a strike that both the players' union and the owners said they did not want. But no significant talks took place until the union set the Aug. 6 strike date at a meeting before last month's All-Star game. And it was not until after that deadline, with the two Cardinals and 36 American ball parks silent, that baseball commissioner Peter Ueberroth stepped in. The 46-year-old moderator of the 1984 Summer Olympics in Los Angeles arrived two days in the morning. He talked for 11 hours. Ueberroth, who rapidly settled last year's umpires' strike, convened another meeting Wednesday. One hour later the strike was over.

The players made concessions on the owners' contribution to their pension fund and length of service required for salary arbitration. The owners dropped their proposals for league-wide salary ceilings and a limit to arbitration awards. In the end, Ueberroth emerged as the peacekeeper, the players as the victors—and the fans and owners as the losers. Said Ueberroth: "I played people. There was integrity on both sides and that is why we have an agreement." Declared the owners' principal representative, Les MacPhail: "I'm sorry that we weren't able to do a little better job, perhaps, for the owners."

The last major interruption in the flow of the game occurred in 1961. The players staged a 30-day midseason

strike which eliminated 112 games from the regular season schedule. Then, the central issue was clearly defined and understandable: the players were defending their right to fulfill their contracts, become free agents and sign with the highest bidder. But this year the issues were less evident. The owners' claim that they collectively lost more than \$40 million in 1984 was reduced to \$37 million by their own accountants. The players' union economist countered that figure is a 20-million profit. As well, the players refused to entertain the owners' proposal for a limit to team salaries. And union consultant Marvin Miller termed the proposal that arbitration awards be limited to a doubling of the player's salary "contumacious."

But the players staked claim to one-third of the owners' annual television revenue for the players' pension fund. That contribution had never been defined in any agreement, but traditionally amounted to roughly one-third of TV revenue. A new \$1.3-billion, six-year TV contract, covering 1984 to 1986, would raise the one-third to \$60 million from \$15.5 million.

The players' concession on the pension issue—from a demand for \$90 million to \$33 million—amounted to a \$15-million annual increase over the 1983 contract. But their pension program already ranked with the best in any industry. Their major victory was in defeating the owners' proposals on limiting salaries. In 1980 the average major league salary was \$290,000. Now it is



Jays play the Orioles after the strike, and Jay Lloyd Morisy, for the fans, the strike was an interruption in one of their favorite summer pastimes.

\$393,000—with at least two dozen players making more than \$1 million.

The players also won a \$25,000 increase in the minimum wage, to \$60,000. Baltimore was enormously affected by the players' strike. The players' strike forced the city to play out their contracts and become free agents.

The bidding wars that resulted among owners for the services of exceptional players escalated salaries into the multimillion-dollar range. And salary arbitrators accelerated that process. Under the last agreement players could file for salary arbitration after two years in the major leagues. The player would submit one figure, the owner another, and an arbitrator would choose between the two. To evaluate the submissions, arbitrators compared the players' performance and salaries with those of free agents.

Indeed, in recent years arbitrators accepted the players' proposed salaries in two notable cases—pitcher Fernando Valenzuela of the Los Angeles Dodgers and outfielder Tim Lincecum of the Montreal Expos. Each player now earns \$1 million or more annually. The Dodgers' and Expos' offers of \$750,000 and \$1 million were rejected. And while the owners managed to convince the union that players must now have three years of service to be eligible for arbitration, that clause will not go into effect until 1987. That will be too late for the New York Mets. Their 30-year-old pitcher, Dwight Gooden, will make approximately \$300,000 this year, his second he is eligible for arbitration after this ses-

son. When play stopped last week, Gooden led the major leagues in strikeouts (179), had won 17 games and lost only three, batted .312 with 18 home runs and a remarkable career batting average of .317 per strike average. Mets catcher Gary Carter earned roughly \$1.5 million a season. Next season Gooden may earn more than that.

As the nine months of deal-making negotiations ground toward the strike deadline, it became clear that the only losers would be the people buying tickets. For his part, Michael Eddins, a devout Kansas City Royals supporter from Prairie Village, Kan., formed the Major League Fans Association, with 100 initial members, and initiated a \$200-million lawsuit against major-league baseball and the players' association, claiming that both parties breached ticket contracts by failing to negotiate with each other in good faith. Said Eddins: "Fans are the ones being mistreated. I'm just so irate about this strike."

In Washington, D.C., Jonathan Sawyer and Eric Zwerbach, both 34, formed Strike Back, a grassroots fan alliance. The partners in a public relations firm urged baseball fans to demonstrate their disapproval by boycotting as many games as were interrupted by a

strike. Of the first 60,000 letters of support and promises to boycott games, Strike Back received more than 15,000 from Toronto, home of the American League East-leading Blue Jays. Said Yverboort, a Cincinnati Reds fan: "The strongest support came from Toronto. The fans there were concerned that a strike might reduce the number of games this season. If the Jays then won the pennant—the first non-American team to win a pennant—it would go into the record books with an asterisk. They were fighting the asterisk."

But Toronto's concern about an asterisk—the baseball record book's way of denoting aberrations—subsided as quickly as play resumed. When the Blue Jays took the field last week in Exhibition Stadium in Toronto, more than 48,000 welcomed them back. With that, the Jays went on to defeat the Baltimore Orioles in both games of a doubleheader to increase their American League East lead to nine games over the New York Yankees. For the second time in four years the players proved that major-league baseball is a business, not a game. And after a 48-hour interlude it was business as usual.

—RALPH UGON in Toronto



MacPhail (third from left) with players' representatives and the ticket buyers' last

THE NEW JETTA

Words are words. But only the open road can tell you what makes Jetta a true road sedan.

In a compact world,
a car of substance.



In this case, looks are not deceiving. The Jetta is as substantial as it appears. Doors close with a thud. Stopping power is fast, cool and sure. Sound deadening materials keep outside noise outside. Everything is substantial, except the price.

The only thing less about the new Jetta is its wind resistance. Everything else is substantially more. More people space. More trunk space. More creature comforts. More driver control. More power. Imagine, a car of substance at an affordable price.

\$9,495*

*Based on 1984 Jetta GL. MSRP. Excludes destination charge, tax, title, license, and dealer fees. Actual dealer price may vary. *MSRP. Excludes destination charge, tax, title, license, and dealer fees. Actual dealer price may vary.

THE AFFORDABLE
GERMAN ENGINEERED
ROAD SEDAN



V O L K S W A G E N

A treasured coin's lost lustre

When Canada's Maple Leaf coin entered the world bullion market in 1979, it appeared as a David against the Goliath of South Africa's well-established Krugerrand. But it gradually caught on with investors, and last year it accounted for a healthy 37 per cent of global sales of newly minted gold coins. Now, sales of the one-ounce Maple Leaf are increasing again because of growing concern

company's West Coast regional manager. Moreover, practitioners have staged sit-ins and demonstrations at the currency trader's office since last November, charging that sales of the coin support apartheid, South Africa's policy of racial segregation. Public pressure has also convinced several other major U.S. financial institutions to stop handling the coin in recent years.

Like the Maple Leaf coin, Canadian gold-mining stocks are also benefit-

going to shoot through the roof.

The decline in popularity of South African gold coins and mining stocks has not reflected investor objections to racial segregation. Indeed, the same investors who are now selling South African gold shares were once attracted to them partly because that country's racial policies ensured an abundant supply of cheap labor. That led to higher profits for South African mining companies and attractive dividends for shareholders.



Pouring South African gold: continuing black unrest and a threatened ban by the United States

among investors about racial unrest in South Africa—the race-Congress world's largest gold producer—and the possibility of a ban on imports of the Krugerrand to the United States. Said Walter Peruchis, president of Namco Rare Coins Ltd. in Chicago: "We are getting to the point where it is hard to find a buyer for Krugerrands. Our retail sales are running nine-to-one in favor of the Maple Leaf."

To make matters worse for the Krugerrand, last week Deak-Peters, the largest money trader in the United States and the leading U.S. retailer of the South African coin, announced that it was suspending sales of the Krugerrand. The decision was "obviously in response to the political problems in South Africa," said Lars Hansson, the

firm's most serious wave of black unrest in South Africa in 30 years. On July 22, the day after South Africa's white rulers imposed a state of emergency in large areas of the country, the Toronto Stock Exchange gold index surged 45 points to 1,007.11 later rose to nearly 4,400 points before settling at 4,320 by the end of last week as investors took profits. And although some analysts said that recent gains by the gold stocks overvalued many of them, others predicted that the speculative mania will resume if South Africa's political violence continues. Dedicated senior analyst Thomas Kauler of Gundersen, Watson Ltd. in Toronto: "If there is a decision by a large number of investors to get out of South African gold stocks, the value of Canadian shares in

ers, both foreign and domestic. Now, investors are fearful that spreading racial violence and a strike threatened by black mineworkers for later this month could create disruptions in gold shipments from South Africa. Said Peter Cavett, president of Canadian Trustee International Inc. of Toronto and adviser to the Precious Metals line, an investment fund that has recently reduced its interest in South African gold producers: "We have a mandate to make money for our clients, not to worry about social or political matters."

For their part, owners of Krugerrand gold coins are concerned about a plan to outlaw imports of the 28-karat coins to the United States as one of a series of trade sanctions against South Africa. The proposed restrictions, which the

U.S. House of Representatives passed earlier this month and which the Senate will likely approve next month, would still allow investors to buy and sell Krugerrands that are already in the country. But investors say that a ban on the importation of new coins would threaten one of the chief attractions of Krugerrands—the ease with which they can be bought and sold—thus lowering the coins' resale value. Said Jeffrey Nichols, president of American Precious Metals Advisors: "The growing fear is that banning imports of the Krugerrands in the United States or elsewhere will severely compromise its liquidity."

South Africa's imposition of emergency powers on July 21 to counter the unrest has also hurt Krugerrand sales in Canada. Brent Watson, owner of Albion Coin Ltd. in Calgary, said that a year ago he has sold three times as many Krugerrand coins as Maple Leafs. Now, however, the numbers are reversed, even though the Krugerrand's distributor has lowered their customary markup by 85. Normally both coins sell at a premium of between four and six per cent over the current price for gold bullion, which now implies a markup of about \$172 to \$25 per coin. Said Watson: "Even with the lower price people are scared to buy Krugerrands because of all the bad publicity about South Africa. Personally, I feel that gold is gold. At some point down the line this will all level out and the price will be the same."

Still, as part of its new 12-point package of trade and political restrictions against South Africa, Ottawa has pledged to discourage Canadian banks from selling South African gold coins. And last fall the Bank of Nova Scotia announced that it would no longer purchase Krugerrands from the South African Chamber of Mines. The bank said its decision was due to "alleviate recurrence of racism in any form."

Both the South African gold-mining industry and the country's financial policymakers insist that they are not alarmed by recent trends. William de la Rive, Krugerrand's leading sales agent of the highest price possible. Here the gold is sold, bullion or coin, is largely irrelevant."

publishing monthly figures. But despite the Krugerrand's poor showing, South African officials say that there is still a strong market for gold, which accounts for more than 10 per cent of the country's total exports. Said Gerhard de Kock, governor of the South African Reserve Bank: "What matters is as it



Nichols, Jeffrey (below) among sales in Maple Leaf coins and a sharp rise in Canadian gold shares



that we sell all the gold we need to at the highest price possible. Here the gold is sold, bullion or coin, is largely irrelevant."

year from the U.S. Treasury's \$66-billion-troy-ounce stockpile of gold bullion. The South Africans said that this would lower the already depressed gold price by increasing the total supply of gold.

At the same time, Royal Canadian Mint officials in Ottawa say that they are delighted by the Maple Leaf's sales, which by June had caught up with those of the Krugerrand throughout North America. Jack Jakes, the mint's director of bullion and refinery sales, said that at current rates the mint will sell as many as 14 million ounces of gold coin this year compared to about one million ounces in 1984. Added Jakes: "Coin buyers worldwide are latching their portfolios by buying more Maple Leafs." Moreover, South Africa's troubles are not the only factor contributing to increased sales, he said. Buyers are attracted by the purity of the Maple Leaf, which is 999.999 pure gold compared to 916 for the Krugerrand. (Both coins, however, contain one full troy ounce of gold, equivalent to 1 000 imperial ounces.)

Spokesmen for both the mint and Canada's major gold processing giant say they have no difficulty meeting the increased demand for Maple Leafs. Annual gold production in Canada is about 2.2 million ounces, and if necessary the mint can also draw on the Bank of Canada's official reserves of about 20 million ounces. Said Harry Thibault, president of Deane Mines Ltd. of Toronto and current president of the Ontario Mining Association: "The real test will come if there is a disruption of supply from South Africa, which should have an effect on prices."

Indeed, the big prize in the gold market is coming months will be those who accurately guess the outcome of the shifting political fortunes of South Africa. Clearly, no investor can accurately predict the nation's future. Said Richard McQuibbin, a Toronto-based director of the Gold Institute, an international association of about 90 gold miners, dealers, refiners and fabricators: "It may be that the situation in South Africa is about to change. It may all blow over tomorrow. All I know is that racial unrest has occurred many times in the past, and yet South Africa has survived. Who knows what will happen now?"

—KEITH LAVER with HOWARD FREED in Johannesburg



Johnson at his B.C. ranch: a bitter four-year encounter with the federal development bank and the end of a dream

The failures of a closely watched savior

For Terry Johnson, a rancher and owner of a road construction company in Oliver, B.C., it was the unhappy climax of a long and bitter relationship. Last week Johnson signed an agreement to sell his 480-acre cattle farm 18 km south of Penticton. With that, he ended a stormy four-year association with the Federal Business Development Bank (FDB), the Montreal-based Crown corporation that acts as a lender of last resort to small businesses. In 1981, Johnson used his \$1.5-million ranch as collateral for a \$140,000 loan at 20-per-cent interest from the bank in order to buy Willowbrook Construction Ltd., a roadwork company operating in the north Okanagan Valley. But the business started to wobble in 1985, and in January, 1986, with the FDB unwilling to renegotiate the loan and about to foreclose on the ranch, Johnson was forced to begin attempts to sell it. Said Johnson, "I had a buyer willing to pay \$258,000 last April, but the bank would not take that. Now we have sold to the same people for \$136,000." Johnson added, "I felt that the FDB was there to break me."

To many critics Johnson's difficulties symbolize the bank's current entanglements with small business—the very ones it was set up to serve. Indeed, the bank's leading critics come from the

small-business community itself. The Canadian Organization of Small Business recently reported that 69 per cent of its members who responded to a survey said that the FDB should either close or be sold to private interests. Declared Geoffrey Hale, vice-president of the 6,000-member group, "The FDB has outlived its usefulness to the economic majority of small businesses." Added John Blufford, president of the 72,000-member Canadian Federation of Independent Business, "We are now totally convinced that the bank should be privatised."

In an attempt to reduce massive losses on loans to high-risk small companies, the FDB has angered many business groups by showing an increasing willingness to foreclose on the ranch, Johnson was forced to begin attempts to sell it. Said Johnson, "I had a buyer willing to pay \$258,000 last April, but the bank would not take that. Now we have sold to the same people for \$136,000." Johnson added, "I felt that the FDB was there to break me."

small-business community itself.

Conservative Mps, many of whom are philosophically opposed to the involvement of a government lending agency, pose the main threat to the continued existence of the 40-year-old institution. Indeed, Liberal Mps last month made public a government document that accused that the FDB's lending function should be terminated and the bank's loan portfolio sold off. The document appeared to be a report of discomfiture made by the Tories' powerful privatisation and planning committee. For his part, Minister of State for Small

Businesses Andrew Bonasutt, one of three ministers to whom the privatisation, has often used since to defend the bank, and he has delayed making his final recommendation on a new mandate for the Crown corporation until late this summer. Declared Bonasutt, who built a small chicken farm in Saint-Jean, Que., into a multimillion-dollar business before entering politics last year, "I believe a bank such as this is a useful instrument for the Canadian government."

FDB president Guy Lan-

ANDREW BONASUTT



guez, 46, has avoided a public war of words with his critics. Instead, Lavigne—who served as assistant deputy minister in the federal industry, trade and commerce department in 1978—has quietly lobbied the Tory government to save the bank. Colleagues also credit Lavigne with making the FDB survive through its financial crisis of the past five years. The bank operated without a loan from its creditors in 1984 until 1978. Then, largely as a result of the measures it took, \$209.7 million between 1979 and 1984 on bad loans.

Lavigne responded by reducing staff by 57 per cent from 1980 levels and closing its branch offices. Last year administrative costs were cut back by 19 per cent, a saving attained partly by firing almost one-quarter of the bank's 1,200 lending officers. As a result, the bank posted a profit on its loan operations of \$602,000—in first six years—before the fiscal year that ended last March. The cuts have clearly taken a toll on Lavigne. "We wanted through a lot of long days and sleepless nights," he told Maclean's, "that we have come through it and we are ready to take on whatever job Ottawa gives us to do."

Still, the reaction of the FDB's most pressing financial worries has not decreased the widespread hostility directed at it. That is largely a result of its abandonment of its traditional small-company market. In 1980 loans of less than \$50,000 accounted for about 75 per cent of the total number of FDB loans and 21 per cent of the dollar value of the bank's lending. Last year only one-third of FDB loans were for less than \$50,000, and they made up only five per cent of the bank's total portfolio.

By lending larger amounts to bigger clients, the FDB, which charges an average two per cent interest above the prime lending rate, has attracted complaints that it is competing unfairly with chartered banks and other lenders. Said John Thompson, president of Montreal-based bank lender RegNat Inc., "We have lost business to them, and we think a Crown corporation should not be competing with the private sector." But FDB officials note that most FDB customers have first been refused loans by private institutions.

Small-business leaders are convinced, however, that there are more efficient ways of serving their financing needs. The Royal Business Loans Act (RBLA) of 1962 provided government-guaranteed loans of as much as \$50,000 to small businesses at the prime rate plus one per cent and is administered through the chartered banks. If the lender cannot repay the loan, Ottawa covers 88 per cent of the loss. James Patch, a University of Western Ontario business professor who was recently contacted in a study on loan programs for the Canadian Bank-

ers' Association, pointed out that businesses can get RBLA loans through any of the chartered banks' 1,000 branches. "Thousands of bankers who are closer to the small businessman as a day-to-day banker" than are the loan officers in the FDB's 88 offices.

Still, the FDB has its defenders. Says some of its critics support the bank's



Lavigne: a painful reworking of bank finances

expensive small-business counselling services, which are available to customers for a small fee. Said Lavigne, "It is a very useful function. Small business often has slack management." Added Kenneth Lord, a 30-year-old mechanic who used the FDB's counselling service in June when he bought West Coast Marine, a small boat-and-motor repair shop in Port Moody, B.C.: "I cost \$120 and was well worth it. In fact, I just signed up to receive \$200 worth of my wife and I can learn how to do the books."

The bank's supporters also say that the FDB is more flexible than private banks. Said Robert Ayer, president of Alloy Industries Corp., a truck parts manufacturer in Vancouver: "When I started my company 14 years ago with nothing, I borrowed the first \$25,000 from the FDB. If you only have a dollar and need \$100,000, you are not

going to get the money anywhere else." Added Robert Cheyne, president of Wuchul Industries Inc. of Montreal, a holding company which has borrowed from the FDB when things started to go sour: "You just have to go down the street for the FDB to get on your back."

The FDB's strongest support comes from Quebec, where business groups have been vocal in their backing of the federal bank. The reason, the FDB's Montreal head office has always been closely attuned to the needs of Quebec's small- and medium-sized firms. Declared André Walland, executive vice-president of the Montreal Chamber of Commerce: "We are worried that the Tories' reaction to the federal bank is a new game and locate the head office in Toronto."

Opposition was in Ottawa just that taking away the FDB's ability to make loans would eliminate one of Ottawa's most effective tools for regional economic development. Winnipeg-based, Gary M. Lloyd, Assembly, one of the three Liberals who obtained the FDB document, declared that abolishing the bank's lending function would "mean that this government no longer believes in stimulating regional development." Indeed, the promotion of regional development has been a major theme of the FDB since its establishment in 1946 as the Industrial Development Bank.

The bank has lent over \$5 billion to more than 120,000 small- and medium-sized firms—many of them in the tourist and manufacturing sectors—since its inception. Declared Lavigne: "Nobody knows the daily ins and outs of small business the way we do." Still, the bank's record may not prevent its dismemberment. Terry Johnson, for one, would have no regrets. Said Johnson, who now has a small truck and trailer farm: "I was forced to sell. I would never go back to them again."

CHIEF SUPPORTIVE



—BRICK WALLACE is the staff writer GREG REITLAND is the staff writer and MICHAEL SALTER is Toronto

An empire girds for a takeover fight



Knicker (left), Jackson: shaking with Southern Inc. over 'share repurchase'

For the executives of Southern Inc., the Toronto-based national communications giant, the day's events were both trying and tragic. Last Thursday, at a meeting in Toronto's plush Four Seasons Hotel, shareholders overwhelmingly approved several anti-takeover changes in Southern's bylaws. The agreement took place only after a month-long campaign led by a champion of shareholder rights, Stephen Jackson, who forced Southern to dilute its original so-called "share repurchase" provisions. But the shareholders were not told until after the meeting that Gordon Fisher, 55, Southern's president and chief executive since 1973, had died the night before of liver cancer. The untimely death of Fisher, who approved the anti-takeover strategy, intensified rumors that an unbridled war may soon make a bid for the 18-employee chain. Canada's largest is now laden with assets of \$116 million. And until the company names a strong successor to Fisher, said Michael Waring, a media analyst with Toronto-based stockbrokers Wood Gundy Inc. "The speculation about Southern's fate will continue."

Investment experts declared that Southern's watered-down bylaw changes were a significant victory for shareholders who want to maintain their traditional voting rights. Southern's director had drawn up the proposals because stock market activity convinced them that someone was

launching a "crowning takeover" by gradually buying up shares. Their bylaw amendments were similar to the share-repurchase tactics that hundreds of U.S. companies have adopted to protect themselves against hostile takeovers. But they are new to Canada, and Southern encountered strong resistance from institutional investors

Fisher in search of a successor



—mainly pension funds, insurance companies and investment associations. Such investors, citing responsibilities to their clients, objected that strong share-repurchase tactics would lessen their chances of making large profits from a takeover.

Southern's retreat was the third time this year that a Canadian company has bowed to pressure from shareholders and standard or altered measures designed to prevent takeovers. In July, Toronto-based Loe Minerals Ltd., a gold-mining company, revised a plan to raise the quorum needed to call a meeting to change the company's directors. Two months earlier, after complaints from large investors, Montreal-based Seagram Co Ltd. also backed down. Seagram, a liquor producer controlled by Edgar and Charles Bronfman, withdrew a plan to create a new type of share that would have increased the founders' voting control of the company without increasing their actual shareholding. So many investment analysts view the three instances as a resurgence of shareholder democracy. Said John Ing, president of Montreal-based investment dealer Maison Placements Canada Inc., "Investors are finally starting to exercise their rights."

Indeed, the anti-takeover measures that Southern passed last week will may face a legal challenge. In a lawsuit, a former chairman of the Ontario Securities Commission, Jack Maclean's son, the measures, along with compromises which the management reached recently with key shareholders, may contravene the Canadian Business Corporations Act. Knowles, who represents a group holding 200,000 of Southern's 18.5 million shares, said his clients will decide within a week if they will take the matter to court.

The outsway began in early July when, amid rumors of a possible takeover bid, hundreds of thousands of Southern's shares changed hands. Their market value soared to a high of \$60 by July 17, up from an average price of \$27 in June, before a four-for-one share split last week that brought the price down to about \$18. On July 16, believing that a bid might be imminent, Southern's management released its anti-takeover amendments and called for shareholders' approval in a vote on Aug. 2. That encounter drew strong opposition to several key proposals. Among them was an amendment that would require any investor that held more than 10 per cent of Southern's stock and sought a merger or takeover to win the approval of 90 per

The Best Of A Bar Made Better.



An investment today in gold should be considered as a form of insurance. Just as a central bank's reserve of pure gold (995 or purer) insures the wealth of a nation, pure gold can insure your financial security and independence in the future.

An insurance policy, however, is only as good as what or who stands behind it. Therefore, when insuring your wealth, you should consider the advantages of Gold Maple Leaf coins from Canada.

Canada's Gold Maple Leaf offers many advantages. It is recognized throughout the world and requires no costly assay at resale to determine its purity. Also, a portion of the premium you pay over the price of gold is

recovered on resale.

The Gold Maple Leaf is the purest gold bullion coin in the world — 999.9 fine gold. It contains no base metals, which only add weight and no real value. Rather, it contains only pure Canadian gold.

The Government of Canada produces the Gold Maple Leaf and guarantees its gold content and purity. This guarantee is embodied in the symbol of the country — the maple leaf. The Gold Maple Leaf is legal tender in a country well-known for its stability, independence, and freedom.

The value of your financial insurance policy can be found in the financial pages throughout the world. The price of the Gold

Maple Leaf, which contains a minimum of one ounce of pure gold, is directly related to the daily price of gold.

Therefore, when planning the insurance of your investment portfolio, be sure to consider the advantages of Gold Maple Leaf coins. After all, central banks demand a guarantee of source and purity, and so should you.



1/4 Ounce 1 Ounce 1/2 Ounce

Canada's Gold Maple Leaf

THERE IS NO SUBSTITUTE FOR PURITY.

The Gold Maple Leaf is a registered trademark of the Bank of Nova Scotia.

Canadian Imperial Bank of Commerce, CIBC, Bank of Montreal, and Bank of Nova Scotia are also authorized dealers.

Source: Investment and Credit News, as well as in various other financial sources.

Canada

Bank of Montreal
Bank of Nova Scotia
CIBC
Canadian Imperial Bank of Commerce

ent of the remaining shareholders. Investors also objected to "brightened quotas" provisions which would make it harder for someone who wanted to gain control of Southern to conduct a shareholders' meeting.

The single most powerful dissenter was the *Caisse de dépôt et placement du Québec*, a huge pension fund which holds eight per cent of Southern's stock. But the key figure in the battle was 55-year-old Jarislowsky, a Montreal investment counsellor representing other institutional investors who together owned 955,000 shares. Southern's management quickly realized that Jarislowsky might have had enough votes to swing the result in favor of the dissenting shareholders. Fearing an embarrassing defeat, Southern reached a behind-the-scenes compromise on the self-takeover proposal with Jarislowsky. But only a day before the Aug. 2 meeting the compromise fell through because of renewed objections from some investors. Rather than risk a vote, the company stunned shareholders just 30 minutes into the meeting by adjourning it for six days. Then, Southern officials met privately with Jarislowsky throughout the next week to work out a second compromise.

Last week shareholders finally approved the weakened self-takeover proposals and turned of Jarislowsky's deal-making. The quotas recommended was set at 50 per cent, down from 75 per cent. For a takeover offer to succeed, the acquirer must win approval from more than 50 per cent of the other shareholders—down from 80 per cent. And the percentage of shares that could be acquired before that previous took effect went up to 40 per cent from 10 per cent. Jarislowsky told *Maclean's* that he was pleased with the compromise, but he added that he expected "more assaults on shareholders' rights until securities commissions remember who they are supposed to protect." And Southern vice-president for finance and secretary Jaka Craig, an architect of the proposals, acknowledged that he had been surprised by the extent of investors' opposition.

At week's end, with Southern only slightly less vulnerable to a takeover than it had been before, most media analysts said they had no idea who—if anyone—was in fact plotting a takeover bid. But despite its setback, Southern's management remained determined to fight off any takeover attempts. Said overzealous vice-president St. Clair Bellair, who retired as Southern's chairman in April after 14 years with the firm: "I do not want to see this company grabbed up and dismantled."

—MICHAEL SALTER • 416 363-7777
in Toronto



Rehearsal for a *Shakhs* show: top left, dancing pit-bottle and KID Nuboso

Doing business on stage

When the curtain rises next week at Toronto's Bay Theatre, the show on stage will have the look of a Las Vegas production. Against a background of hand-painted flowing silk banners, a 20-foot pastel-colored fan will sweep downstage past seven dancers, three men in white top hats and tails and four women in aqua evening gowns. Nested in the fan will be Mary Kay Ash, the doyenne of a multimillion-dollar company, Mary Kay Cosmetics Ltd. The 1,300 Canadian distributors of Mary Kay products in the mid-90s have come to expect lavish productions at annual meetings. And last year a long list of major Canadian companies, including Honda, Nuboso Brands Ltd., American Express and Electrode, commissioned more than 500 live-for corporate shows in an effort to brighten conventions, sales meetings and product launches. "The shows are fabulous," said Lois Chapman, sales incentive manager for Shalder-Casella Inc., which holds four shows a year for sales staff. "They increase sales and motivate our people. Everyone gets so excited."

And for the Canadian theatre community, suffering from cutbacks in government funding, the popularity of the "business" shows is a boon. As they are known to the actors, musicians and technicians who stage them, represents business worth at least \$20 million a year. Said Tanya Shipwreck, producer of next week's \$200,000 show: "It is not just a matter of hiring a singer or putting up a few lights—it provides work for the majority of theatre people in this country."

Indeed, during the past eight years a dozen specialized production houses have sprang in the Toronto area since. And an estimated 7,000 professionals, ranging from set designers and lighting technicians to choreographers and writers, worked in the shows last year, often for less profit than those paid by conventional theatre.

The shows are frequently elaborate and ingenious. Last June in Nassau, 130 employees of Nuboso Brands Ltd. of Toronto cheered loudly as Kid Nuboso stepped into a mock boxing ring to knock out the competition's Sugar Ray Brewster. The company had specifically asked Commagrac Ltd., a Toronto firm, for a scripted drama as part of the \$775,000 show. But Nuboso marketing director Karen Priest: "We just had to have something different to get our sales force more involved. And the fall sales force more involved. And the fall sales force more involved. And the fall sales force more involved."

Corporations are often willing to give producers a free hand, with the result that actors are cast as everything from vitamin pills to soap bars. "Sure, it's not Chabon," said Lee MacDougall, who, as Kid Nuboso, vanquished Sugar Ray Brewster in Nassau. "But in many ways it is the ideal acting job. It pays well and the audience just loves you—they cheer, they clap, they yell and you get pumped up by their energy." So, the companies are pushing, will sales.

—JULIA BENNETT in Toronto



Presenting
Russian Prince
vodka.
The frosty
spirit of
old Russia,
recaptured.

One sip
should convince
you.

Concerns of a Liberal patriarch

By Peter C. Newman

He is in his 73rd year now and his eyes have the permanently bleached look of pockmarked eggs, but Eric Kierans, the socialist-millionaire who has influenced Canadian politics at many levels, still enjoys challenging the established order of things.

When I called on him recently at his spacious home on one of the fashionable dead-end streets that line Halifax's North West Arm, he was particularly exercised about the prospect of Canada becoming the Manchuria of the 1990s—a supplier of suppressed resources to manufacturing nations which garner most of the jobs.

"Our place in any kind of global system controlled by the United States is going to be merely as a supplier of raw materials," he complains. "We are being ground right into a meatball. What happened at international summits like the one at Williamsburg, Va., is that the Western democracies pledged themselves to integrate fiscal and commercial policies, and that means monetary and trade policies as well. In other words, they're building an economic pyramid with us as a Manchuria in one corner."

Kierans, an ardent nationalist, laments the fact that he had to sell the Montreal auto factory he owned to an American multinational. He tried for four years to find a Canadian buyer, but every domestic bid was at least undercut by competing British, European and U.S. offers. Instead of trying to revive the dormant Foreign Investment Review Agency, he would like to see Canada adopt the equivalent of a 1916 Swedish law that prevents outsiders from investing in capital enterprises without special acts of Parliament, that law has kept foreign ownership in Sweden down to less than 50 per cent. By throwing the company open to free trade at the same time, the Swedish government has protected its citizens from abuses by domestic monopolies.

Kierans would move advocate free trade between Canada and the United States because, as he says, "they'll break the arrangement they make a thousand different ways." He thinks the Americans would have trouble competing (fairly) with any other nation because of their high overhead costs (mainly the huge Pentagon budgets) and the fact that U.S. citizens take for granted that they should enjoy the world's highest standard of living.

"One thing people in this country will have to accept," he predicts, "is that the standard of living all around the Western world is going to be lower for everyone. What we're going to see is the final destruction of that old shibboleth about governments intentionally favouring the rich because they are supposed to be the ones who save and invest. That's all crap, because vast profits are reinvested internally, not for public purposes."

He is equally dubious about public



Kierans: free trade and unemployment

care who preach that the solution to our enduring unemployment problem is to go high-tech, pointing out that the entire thrust of sophisticated technology is to displace white- and blue-collar workers. "I'm just that investment in technology will produce the jobs that Canada needs and wants to say that such investors are philanthropists. They're not."

"The Mulroney government lost me right at the beginning, for two reasons," he says. "I had an open mind until I found out that Mulroney was increasing his cabinet to 40. That's a tower of babel. The new ministers will not want to sit in a room smoking cigarettes, they're going to create large bureaucracies, start wedding and find new ways of interfering in the economy. The other thing, of course, was when Mulroney said Canada was open for business. That almost made me sick, because we have been the most wide-open country in the world to everybody—otherwise so much of Canada wouldn't be owned by others."

Kierans, who served in several key portfolios in the Lesage government before leaving Quebec for the federal scene and to become a junior minister and a senior industries within the Trudeau cabinet, is most worried about Canada's 13 million unemployed. He believes there may be a hard core of 10 percent of Canadians without work for the rest of the century. In economic terms, they have been declared redundant. Says Kierans, "This group is socially illiterate, they've been into a society that has nothing for them to do, that has nothing to make their living viable. This has gone on throughout history, and as a result we've had waves to clean it up."

Just about the only politician Kierans feels optimistic about is Robert Bourassa, the Liberal leader in Quebec. "He's a different guy altogether now," Kierans insists. "We were on some panels together during the referendum debate, and he was just beautiful. He is not going to make any more silly mistakes and is more a federalist than he ever was."

Kierans has just spent most of a productive decade teaching economics at McGill and Dalhousie universities and is currently scholar in residence at the Institute for Research on Public Policy. He lives living on the northwest of the Atlantic and is a way in returning to his roots he started his business career as a commercial traveller in the Maritimes during the 1930s.

What haunts Eric Kierans—along with a growing number of thoughtful Canadians—is that the dilemma faced by this country now run so deep that they will not be resolved without some dramatic structural reforms in the economy and correspondingly fundamental changes in the human brain, nature which since defined the Canadian character.

Three out of five Canadians are looking forward to a meager retirement.



For many Canadians, the golden years have lost some of their glow.

Once buoyed by the galloping inflation of the late seventies, they are anticipating a reduced standard of living.

Which means less money for basic expenses. Less money for travel. Less money for family emergencies.

Worse, many people feel that they have lost control of their own financial security.

Now for the good news.

Five out of five Canadians could brighten their retirement picture through personal financial



planning. (We know it works: we've been doing it for more than 445,000 clients.)

Personal financial planning doesn't mean investing more money. Sometimes it's simply a matter of taking part of what you already have and moving it to an area of higher return. Or adding to your savings through tax reductions. In short, it's looking at the whole picture.

Talk it over with an Investors Personal Financial Planner. It's your first giant step towards retirement peace of mind. And there's no cost, no obligation.

No time to lose.

Investors
PROFIT FROM OUR EXPERIENCE

The record of a desperate struggle

For Jewish visitors to Holland, an Amsterdam strip-tease club has become one of the most significant sites in the country. During the past two years thousands of Jews from around the world have come to the Moët's Roze, a garish nightclub whose owners bill it as the city's leading centre of erotic entertainment. But its special importance results from events that occurred more than 60 years ago. Then, the club was known as the Alcazar—a cabaret

received shelter from the Dutch owners of the nightclub. He also made several intriguing references to a resistance and noted that a refugee named Harry Swaab had wanted to film the Jews' hidden struggle for survival. Still, when the Amsterdam daily newspaper, *Parool*, published excerpts from the diary in 1963, it was unclear whether the film existed—or whether Harry Swaab was dead or alive. For one thing, only 30,000 of the 140,000 Jews living in the

painful period which I have put behind me."

Indeed, one scene—filmed by a Dutch resistance member who visited the sanctuary once a week for almost a year—shows the refugees marking Christmas in 1942 by wearing paper hats, playing party games and gathering around a tree decorated with homemade ornaments. Said Swaab: "It was a kind of forced jollity—a tragicomic opera. Inside you are crying, but you have to put on a comic face."

Other scenes show the refugees crowded around a radio listening to broadcasts by the London-based Dutch Free Radio. And they are also seen celebrating the fall of Singapore on Feb. 2, 1942, and breaking into tears as victory arrived with news of more deportations. The camera even records the emergency procedure which the refugees practiced every 16 days in the hope that the drills might help them avoid capture. After a shot of a warning siren, the children are seen crawling down their beds and seeking hiding places under a stairway and in kitchen cupboards.

But when the Germans arrived without warning they captured 10 refugees sitting at breakfast. The remaining six avoided detection by scrambling into hiding places. Some concealed themselves under a pillowcase and Rotkowski survived by hiding in a fold-down bed. Several hours later the refugees slipped into the streets. Said Swaab: "Most of the people had no time to hide. They were sent off to concentration camps. Two of them killed me, and one threatened at Bergen-Belsen in Germany. I ran off to my wife, to my old home. I left the others to fend for themselves. I never knew what happened to Henry." And with this week's screening of *Alcazar: A Nightclub at War*, viewers will again be reminded of the terror and tragedy inflicted on Jews in Europe 60 years ago—and how a modern strip club became a symbol of resistance.

—REBECCA GRAY is based in Toronto with ADAM CLAYTON as Amsterdam and DAVID ROBERTS in London.



Refugees playing cards above the Alcazar; a strip club has become a symbol of resistance

ret popular with German soldiers occupying Holland during the Second World War. And in the summer of 1942, within earshot of patrons drinking and dancing below, 16 Jews tried to escape Nazi persecution by hiding in a second-storey apartment. That desperate attempt ended one year later when the Germans raided the sanctuary, but six refugees managed to escape. And one even managed to take with him a rare record of life under the Nazi occupation: a 30-minute film documenting the year spent above the Alcazar.

The film's existence became known two years ago, when a worker who was repairing damage caused by a fire at the Moët's Roze found a schoolboy's notebook concealed in a wall. The film, black and white, written by a 13-year-old Polish Jew named Henry Rotkowski, was in fact a diary. Rotkowski, who still lives in Amsterdam, recorded the daily routine of the men, women and children who had

Netherlands during the war survived the determined Nazi effort to eliminate them.

But Swaab was indeed alive, and working as a scrap metal merchant in Amsterdam, where the diary excerpts appeared. And the black-and-white silent film was still in good condition in a bank vault where he had placed it after the war. He had decided that no one would see it until he had died. But Swaab, then 70, celebrated last year and agreed to let Dutch film-maker Ben Elkerhorst incorporate the rare footage into a documentary which was scheduled to appear on Channel 4, an independent British television network, this week. For his part, Rotkowski says that he wishes only to forget the past. Now 57 and an executive with the Royal Dutch Shell oil company, Rotkowski has changed his name and returned to England in an attempt to forget his wartime experience. Added Rotkowski: "It was a

News coverage you can count on!

"Just right" size +
—app 5" x 5"

+ Full memory functions

Today's News at Half-Price* - Tomorrow's Technology FREE!

Welcome to the Information Age! News and new technologies merge into a news-gathering system that lets you know your world—instantly!

The heart of that system is Maclean's, Canada's Weekly Newsmagazine. Electronic immediacy and in-depth analysis give you the urgency, importance and excitement of major news events. From Canada and from around the world, Maclean's brings you today's news—all the news—week after week!

Now Maclean's gives you a sample of tomorrow's technology—this free

light-emergent solar calculator. Using state-of-the-art solar sensors, it turns any light into energy. It never needs batteries!

It's just the right size—lightweight and compact enough for office, home and school—on a desk, counter or table-top. Your calculator has generous full-size keys for fast, easy operation, and a full one-year warranty to assure trouble-free use.

Get your solar calculator while this offer lasts—subscribe to Maclean's at Half-Price today!

Maclean's SOL-4500 Solar-A, Williams Co. (MCM-147)
FREE SOLAR CALCULATOR
 with Maclean's at Half-Price*
☐ A Full Year at Half-Price! But only 139¢ for 12 issues. Send Calculator when I pay.
☐ Pay Now - Priority Service! I'm ready to send my Calculator now (p.p.t.)

First Name _____ Last Name _____
 Address _____ Apt. _____
 City _____ Prov. _____ Postal Code _____
☐ Longer Term Savings! Get the SOL-4500 for 99¢ more. Send Calculator when I pay.
☐ Pay Now - Priority Service! I'm ready to send my Calculator now (p.p.t.)

*Your first issue (one of 13) can copy onto your full-rate subscription print.

Canada's Weekly Newsmagazine
Maclean's

Experimenting with 'nuclear winter'



Chapleau test fire: a controlled preview of postnuclear-attack devastation

Thick columns of smoke and soot that rose more than 20,000 feet into the Northern Ontario sky on Aug. 3 bore an eerie resemblance to photographs of the radioactive cloud that hovered over Hiroshima 40 years ago. That similarity struck the four Canadian and four American scientists who had travelled to Chapleau, Ont., 140 km north of Sudb. To observe the forest fire that had been deliberately set to clear 1,600 acres of trees killed by spruce budworm. The scientists wanted to determine whether future studies of forest fires would yield insights into the theory that smoke from fire storms caused during a nuclear war would enter the upper atmosphere and shroud the Earth, leading to a destructive "nuclear winter." The forest fire was closely inspected by Declared University of Toronto environmental scientist Andrew Forster. "It was one hell of a bloody burn."

The eight scientists were responding to a number of studies on nuclear winter, a theory first developed in 1983 by, among others, Cornell University astrophysicist Carl Sagan. Indeed, last January the Royal Society of Canada released a federally commissioned report on the subject. It outlined the postnuclear-attack devastation that might result in Canada after soot and smoke,

blotted into the atmosphere by massive fires in the cities and forests, blocked the sun's rays and plunged temperatures by as much as 50°C, even in summer. The deep frosts, which some scientists estimate could last as long as a year, would destroy vegetation and cause massive losses of human and animal life. The report recommended that the smoke gotten off by forest fires be studied as a means of fully understanding the effects of nuclear fire storms.

The first opportunity to conduct an experimental program arose after Forster and British Stacks, head of forest fire research at the Canadian Forestry Service in Sudb. Stacks, visited Washington, D.C., in March for a nuclear winter symposium. There they met American scientists and members of the military establishment who were also interested in the study of forest fires. Stacks later arranged, through the Ontario Ministry of Natural Resources, to create the scientists in the Chapleau fire, one of 28 "prescribed burns" to be set in Ontario this summer to clear land for reforestation.

Because the fires are tracked off under controlled conditions, they easily lend themselves to scientific observation. The Chapleau fire was first set in the centre of the burn area by a helicopter with a torch along underneath,

which then lit a path in expanding circles toward the area's perimeter. The uplift that the centre fire created drew in flames from the outlying areas, throwing up the massive smoke column from which the scientists could get an idea of how the airborne debris from a nuclear conflagration would behave. Sudb. Los Angeles atmospheric scientist Richard Turco, the chief proponent of the nuclear winter theory "based on what I observed here, I am optimistic about what we can learn from these fires."

Members of such nuclear disarmament groups as Ottawa-based Operation Dismantle also support further tests, saying that if the nuclear winter theory is proven it will act as a strong deterrent to nuclear war. But some scientists say that testing may discredit the theory. Richard Small, a research scientist with the Pacific-Sierra Research Corp. in Los Angeles—a major contractor to the U.S. Defense Nuclear Agency—published a report earlier this month on the estimated amount of smoke produced by a series of theoretical nuclear attacks on all the world's rural military facilities. Small said, who attended the Chapleau fire, "There would be much less smoke than previously estimated. The forest fires would be much less intense than we thought. And others express concerns about the reliability of data obtained from observing forest fires. Small said Stacks: "Nuclear war is mainly about the burning of cities."

Still, the American scientists who attended the Chapleau fire say they are eager to return to future prescribed burns in Canada, which take place on a larger scale than in the United States. They also hope to conduct their own experiments and obtain the hard data not available to them at Chapleau. Because Ontario's Ministry of Natural Resources allowed them to attend only as observers. The reason, officials were told, was that the military experiments as a sign of Canada's involvement in the U.S. nuclear arms program. But the Ontario government has not closed the door on future experiments. Said Natural Resources Minister Vince Savitsky: "We will consider co-operating with these scientists again next year." And Ontario Premier David Peterson says he is not opposed to the idea of a U.S. test. Said Peterson, "As far as I am concerned, who do not have any problem with it."

—PETER GOFFIN in Toronto



Protesting journalists: snatching Britain's TV and radio news broadcasts for 24 hours

MEDIA

Silencing the airwaves

Since 1982 the British Broadcasting Corp.'s renowned External Services have been broadcast by shortwave to the farthest corners of the world. But last week they ceased to exist for a full day after 4,000 British broadcast journalists descended in Black out against all the nation's TV and radio news coverage with a 24-hour protest. The reason: the BBC's board of governors' compliance with a request from Home Secretary Leon Brittan not to air a documentary on Northern Ireland. Because the film featured interviews with Irish Republican Army and Protestant extremists, Brittan said that it provided a platform for terrorism. TV and radio journalists countered that the move so severely damaged the BBC's credibility and decided to strike. Said Vincent Hoare, BBC representative to Britain's National Union of Journalists: "We want to highlight the whole problem of press censorship."

The debate began on July 26 when the BBC would begin the Northern Ireland documentary, scheduled to be aired on Aug. 7, the day of the strike. Then the government bowed before a series of on-air meetings in an attempt to find a solution. Although the 24-hour strike took place, British issued a statement reaffirming the corporation's independence from the government. For their part, air governors finally agreed that the documentary would be broadcast in its entirety. But in a slightly altered form. Declared BBC director general Alasdair Milne: "I am back in charge."

But to many British journalists that claim was questionable. Because the corporation's independence in particular to its 1957 royal charter, the government controls its funding by setting the cost of the annual license which all owners of TV sets in Britain have to buy. That money forms the major part of the BBC's total budget, which amounted to \$1.4 billion (\$264.6 million) in 1982-83. As a result, BBC-government relations have often been strained, and some broadcasters say that the government's compliance with Brittan's request has caused irreparable harm to the corporation's reputation. Declared External Services managing director, Aspin Kell: "Anyone who wants to criticize us now finds it a great deal easier to do so."

The protest strike was the latest in a series of attacks mounted by the BBC governors in March, Britain charged that the corporation was wasting money and refused to grant in full its application for an increase to the BBC (BBC) annual license fee. Instead of allowing a 10% (10%) rise, he permitted one of only 1% (1%), and BBC officials now say that they are considering job cuts. As well, Brittan has established a commission that this fall will investigate the possibility of bringing advertising to the BBC—a prospect that broadcasters say would further undermine their credibility. As a result, the on-air clash of last week's controversy is not likely to end in a lasting peace for the BBC's governors.

—DAVID NORRIS in London

Victims of a swift killer

His family described him as "very, very healthy." But shortly after Prince Philip, Canada's second-in-command, died of a heart attack, his family said that he was suffering from long congestion and fever. When he died on July 11, doctors initially said that Philip was a victim of pneumonia, but further tests revealed a different cause of death: legionnaires' disease. Last week two other people who had been patients in the hospital's 41-bed medical ward died of legionnaires' disease. And at the Royal Victoria Hospital in downtown Montreal, hospital officials said that two patients who died last week of multiple illnesses probably had the disease. Said hospital medical adviser Dr. Sylvia Orsini: "It is very difficult to know how much legionnaires contributed to their deaths but it certainly is a possibility."

Legionnaires' disease was first described in 1976 after it killed 24 people who had attended an American Legion convention in Philadelphia. The pneumonia-like disease, which is not considered to be contagious, is caused by legionella pneumoniae, a bacterium that breeds in stagnant water and is carried through the air in water vapor. The bacterium has traditionally been associated with weak sources of air conditioning systems.

At week's end, federal health officials said that the outbreaks were related instances. Added Dr. Peter Eizen of the bureau of infectious control: "I am sure that the hospitals have taken measures to prevent the spread." In fact, Royal Victoria workers had cleaned the hospital's ventilation units and sterilized all possible sources of the bacterium. In Prince Edward Island, Prince County officials were cleaning the medical unit's water-cooling system after they had cleaned it with an ammonia-based disinfectant that kills the bacterium. But Dr. Thomas MacNeil, chief of the Prince Edward department of Health's Victoria General Hospital, which had been brought in to investigate the outbreak, said that he had not reached any conclusions. Declared MacNeil: "We are still puzzled. We do not have all the answers yet."

—PETER SPILLERMAN in Toronto, with BARBARA MACDONALD in Charlottetown

**SO
COMFORTABLE
IT'S
HABIT
FORMING.**

Once you've tried a Berol Cassette mechanical pencil, you won't want any other. Classic design. Comfortable feel. And incredible convenience. Loading is now as easy as putting a cassette into a tape deck.



**Berol.
CASSETTE.**



Each refill cartridge contains 15 leads.

Berol.

Available everywhere
but only from Berol.



Accident scene: they drive too fast and they never look where they are going

TRANSPORTATION

Death on the autoroutes

Montreal office equipment salesman John Howlett, 26, sold his car three years ago and has not driven in Quebec since. Said Howlett: "They do not make enough Valium in the world to calm me enough to get behind a wheel here." Recent Quebec accident statistics clearly demonstrate the cause of his caution: The 400 traffic fatalities that the Quebec Auto Insurance Board recorded during the first five months of 1985 represented a 10-per-cent increase over last year's figures. And the Insurance Board released a report in July which identified a major reason for the high death rate on the autoroutes: too few police patrols. Said the report: "All efforts in highway safety can be compared to a chain, and the weakest link is police surveillance."

The report declared that the insufficient number of policemen patrolling the province's highways is a major factor in Quebec's traffic fatality rate—at 24 deaths per 100,000 drivers, almost twice the national norm. Without proper policing, added the report, many Quebec drivers display such "irresponsible behavior" as driving while impaired, travelling at high speeds and floating bureaucratic red tape of the road. Indeed, the insurance board reports that the number of injuries in accidents has risen to 55,178 last year from 45,874 in 1983. Said Canada Post manager Alton MacDonald, a former Montreal resident who driven from Ottawa to Montreal every weekend: "As a Quebecer, I have to admit that our people are crazy. They drive too fast, they weave in and out and they

never look where they are going."

Quebec's provincial police have questioned the report's methodology, and they note that geographic traffic statistics include accidents on roads that they are not responsible for patrolling—including heavily travelled streets in such cities as Montreal. They also say that the report's findings did not take into account other factors contributing to the accident rate, including poor road conditions. But they will not comment directly on the charge that provincial highway patrols are inadequate. Still, one gauge of police activity, the number of traffic tickets issued under Quebec's highway code, has dropped significantly in recent years. In 1983 police handed out 548,558 tickets, but in 1984 they issued only 413,973—a drop of 24 per cent. That decline continued in 1984, added by a work-to-rule campaign during a contract dispute that lasted five months and ended last April 1.

Alberta also has a record of dangerous driving incidents. In Edmonton, a University of Alberta study released last month found that one in three city residents who drink drive while impaired at least once a month. And on July 18 the Yukon government ended a winter tradition when it banned drivers from drinking while driving. Still, such Quebecers as MacDonald remain convinced that the province has the worst drivers in the country. He declared, "They are lunatics."

—FESTER KOPPELSEN with
ANTHONY WILSON/SMITH in Montreal

IMMIGRATION

Seeking a sanctuary

The flight from her homeland was agonizing, but the search for a new one proved even more difficult. When the young Palestinian woman, who requested anonymity, managed to flee with her Lebanese wife and their four children one year ago, her goal was to join her brother in Stockholm. She went first to Zurich and applied for entry to Sweden. But Swedish officials would not admit the family. Then the Swedes refused to issue visas and put the Palestinians on a flight back to Beirut. There authorities refused to accept family members because they did not carry Lebanese passports. "We tried the whole world, even Beirut," said Zurich lawyer and refugee advocate Walter Sorey, who championed her cause. Finally, Swedish authorities accepted the family on compassionate grounds—placing the five Palestinians among the fortunate but dwindling proportion of the world's refugees who are allowed to settle in sanctuary countries.

Throughout Western Europe and North America, dreams similar to the frightening experience of the Palestinian family take place daily. To a swelling tide of refugees fleeing famine and civil strife in the Third World, the West is a beckoning haven. As a result, the number of refugees seeking entry in Western Europe soared to 103,000 last year from 59,600 in 1975. But many governments, struggling with growing unemployment, are increasingly reluctant to accept refugees. Rebuffed, many wander from country to country, spending weeks and often months in airport transit lounges, locked in a frustrating cycle that has come to be known as "refugee whiff." For others, including a handful of about 25,000 migrants claiming refugee status in Canada, the backlog can mean as many as five years of anxiety while their cases are processed.

Toronto Rabbi W. Gershtenblatt proposed corrective action in a government-sponsored report issued in October two months ago. Although federal Immigration Minister Flora MacDonnell responded with a promise to reform the system, she does not plan to introduce new legislation until Parliament reconvenes Sept. 9. In part, hampered a refugee from Namibia in the 1980s, recommended that anyone claiming refugee status should be granted a full hearing before a refugee board or a direct appeal to the Federal Court of Canada if the

Taste the difference.



Any way you mix
the great flavour of Jamaica
comes through.

panel rejects the application for landed immigrant status.

Even before the Toronto mob had made that recommendation, the Supreme Court of Canada ruled last April that all alien asylum seekers must be removed to their home countries. But immigration officials estimate that clearing the backlog could not be as much as \$50 million and take almost 10 years if all eligible applicants exercise their newly won right to sue.

Any foreigner landing in Canada is now entitled to a hearing on a refugee claim, but a new policy change adopted by the federal government last June has made it more difficult for refugees and economic migrants alike to enter the country. It did so by requiring travellers from 14 countries—including Afghanistan, Bangladesh, El Salvador and Lebanon—to have transit visas if they stop for fewer than 48 hours in Canada. Even passengers who do not plan to disembark during brief landing stops in this country must now obtain visas from Canadian consulates and embassies before they can board Canada-bound planes. Brian McQuillan, the ministry's director of operations, is concerned that the change will help attract unfounded refugee claims. Said McQuillan: "It will inconvenience people, but if they're not seeking to hide they will get it over."

Until the 1970s most refugees seeking



Refugees waiting for a hearing.

a haven in Western countries were from Soviet bloc nations. During the havoc created by Soviet repression of the 1960s Hungarian uprising, followed 12 years later by the crushing of liberalization in Czechoslovakia, Western nations absorbed huge waves of refugees. But since then most refugees have been mainly from the Third World—and more often from Africa. Their presence in North American and European cities has provoked racist responses. In the Swiss city of Bern, for one, a cult avowal recently refused service to all Tuvare, a dark-skinned Moslem minority from Sri Lanka. Although the tensions were well beyond the cover explained, he was afraid of being hit while European citizens.

As a result, some governments are tightening visa requirements for many ethnic groups. Last May, after 1,300 Tuvare arrived in Britain from stricken Sri Lanka, British authorities introduced new rules requiring Tuvare to have entry visas. The new regulations have reduced the flow to a mere trickle. And British officials are now debating whether to prosecute forcibly the Tuvare already harbored in Britain. Since East Germany allows Third World visitors to enter East Berlin on a tourist visa, one-third of Europe's refugees go central, south to the West, by first purchasing a ticket to the divided city. Then they cross the border to the western sector—a phenomenon known among would-be emigrants as slipping through the "Berlin Hole."

But Bonn also has begun to make entry more difficult, imposing new attacks in overcrowded detention camps that the United Nations High Commission for Refugees condemned as shocking and inhuman conditions. Other countries are reducing social benefits, legal aid and language training which once eased a refugee's assimilation into European society. In some cases, governments have justified the crackdown by arguing that many immigrants are not victims of political persecution but merely seeking to better themselves economically.

The harsh measures imposed in Europe have at least temporarily slowed the flow of refugees. Last year arrivals in West Germany dropped to just 20,000 from a high of 100,000 in 1986. Some immigration experts say that longer-term solutions must be found to cope with the problem. In the United States, High Commissioner Rod Hargrave has asked European governments to accept the stateless wanderers. But domestic pressure to reduce immigration continues to cloud the outlook for thousands of jet-age nomads.

—BENTON BOLLAG in Geneva with MICHAEL BOSE in Ottawa

BOOKS

The shadow of prejudice

DARKNESS

By Bharati Mukherjee
(Penguin, 258 pages, \$9.95)

Spun from the experiences of Asian newcomers to North America, the 12 tales in Bharati Mukherjee's *Darkness* are poetic and disturbing. Shadowy language haunts the protagonists, who find themselves stranded between old and new worlds. It is a condition that Mukherjee knows well. Born in a Brahmin, or high-caste, family in Calcutta, she left India in 1961 for studies in the United States. Five years later she and her husband, writer Clark Blaise, moved to Montreal. Mukherjee produced two novels in Canada, *The Tiger's Daughter* and *Wife*, which were widely praised for their tragic vision of immigrant life. But she returned to the United States with her husband in 1980 because of racial prejudice. As she explains in *Darkness*'s provocative introduction, "If I may put it in its harshest terms, in Canada, I was frequently taken for a prostitute or shopgirl."

Most of the stories in the collection were written in a three-month creative free storm that followed Mukherjee's second American immigration. In the three stories set in Canada, accounts of social assault in the orderly streets and subways of Toronto mock an officialdom that refuses "them a right" to them on a government checklist. For most Canadians, the stories will not be pleasant reading. "What kind of people are you?" she asks a lawyer representing an Indian who has been roughed up. But Mukherjee is more often subtle and sorrowful than shrill. In "Isolated Residents," a young immigration officer, her decision long ago collapsed into a set of file folders and habitual hostility, tacitly contemplates escape to Los Angeles. She cannot see that, like her clients, she is herself struggling in a web of desire and abandonment.

Mukherjee writes that, unlike Canada, the United States allows "the coexistence of immigrants." But the stories' American immigrants also suffer from the psychic scars of displacement. "Angela," a Bangladeshi orphan adopted by a Missouri farm family, dutifully learns to doze on cheese puffs and earn a place on the cheerleading squad. But as she watches by the bedside of her dying adoptive sister, oppressed memories of her own dead back, grotesquely intermingle with the icons of American domestic bliss. "Dolores tested tight love curls, dots running playfully off with



Mukherjee shares of a broken past.

the barbed steel" collide with visions of "pinks of parish dogs who have learned to gorge on dying infant flesh."

In other stories, Mukherjee finds black humor in cultural dissonance. Mr. Bhattacharya, the middle-aged engineer in "A Father," attempts to say his morning prayers to his family's patron deity, Kali-Mata, while his wife naps but with pop psychology phrases. She prepares him a breakfast of French toast stuffed with marshmallows, maple syrup and apricot jam—a parody of American plenty. But even Mukherjee's urban sophistication is pierced by shards of a broken past. In "Rosa's," a Mexican porch-sitter married to an American woman is seduced by his fantasy of an Indian "godess," a strange fusion of a Bombay film star and his mother. The ideal woman, whom he spurs behind eggplants and bags of rice in the window of a grocery store, turns out to be a prostitute and kidnapper.

In *Darkness*, Mukherjee has tapped the energy underlying the immigrant's attempt to assimilate. "Tradition," she writes, "is a metaphor, a particular way of comprehending the world." *Darkness* is a superb set of meditations on 20th-century dislocation, allowing modern anguish with a local habitation and a name.

—LEIGHAN KENDRICK

The Financial Post PRESENTS EXECUTIVE DAY



SEPTEMBER 4, 1985—THE WESTIN HOTEL, TORONTO

Designed for chief executives, financial officers and senior management, Executive Day will provide up-to-the-minute information on world markets and developments including interest rates, currencies, sector activities, political trends, international and domestic trade opportunities, capital market prospects and new financial instruments. In addition, all registered delegates will receive The Financial Post's Quarterly Business Forecast for the year following the conference, beginning in October, 1985.

For your personal copy of the Executive Day brochure, listing speakers and all program information, call Financial Post Conferences at (416) 596-5651.

ANNUAL FINANCIAL
CONFERENCES

In association with AIR CANADA

EXCAVATE MICRODIGGER ENTERPRISES

POWERFAB SALES & SPARES

Ray Williams

1350 Colony Drive, Burlington
Ontario L7P 2TP
(416) 336-5314





Kodak. The official film of big league dreams.

One day, he's going to be a star. But today is for dreams.

These dreams are so real, they decided to go and play in his room. Not hearing a peep from him, I decided to look in.

Oh, he was there in body, but in mind he was bawling in the bottom of the 9th with the glove tied and two out, he was waiting



the winning TD, he was winding up to score the winning goal in sudden-death overtime. I snapped up this moment with Kodachrome VHS film. It captures those hopes and dreams with Kodak color as clearly, as sharply.

Looking at the photograph, I think of my son's face on a poster, pinned-up in some other little boy's room.

Your official film. Again.



Betty Goodwin's *Moving Towards Fire*: sensuous interior and conceptual rigor on the frontier of visual art

ART

A milestone in contemporary art

Across Toronto, a massive exhibition of 38 works by Canadian artists, in a triumph against the odds: In an impressive coup, the fledgling Montreal International Centre of Contemporary Art, an organization without a permanent budget or home, mounted the show for an estimated cost of \$200,000. The sheer physical size of *Aurora Borealis*, which occupies 60,000 square feet of unused mall space in Montreal until Sept. 28, makes it the largest contemporary art exhibition ever held in Canada. Following in a long tradition of innovative arts events in Montreal, *Aurora Borealis* underlines the vital role that independent organizations play in promoting cultural activity.

Although the centre is scrambling for money to print the exhibition catalogue, the venture has fulfilled its greatest hopes. The centre was forced in 1983 with a mandate to promote contemporary visual art, which many artists believed was not adequately represented in the city's museums or in its relatively weak commercial gallery system. Not only did director Claude Gosselin receive \$300,000 in government funding, but he managed to attract five exhibitions in a downtown high-rise development. Some 30 artists, all working outside traditional styles, were each offered a \$1,500 fee, as much as \$1,000 in expenses and a separate room in which to create an installation.

Initially, the empty concrete shells which developers had once hoped would generate fortunes are now filled with noncommercial artworks. Installation art has evolved in the past decade from the conceptual movement, which stressed the primacy of ideas over objects and rebels against the dictatorial power of the art market. Such works as Pierre Doran's *Lord, theatrical* and *Mrs Confession*, in which these small chambers are paired with rooms of light and heat and a fourth is furnished like a mock confession, are not likely to appeal to a broad public. In Canada the policy of funding artists through government grants made it easier for them to circumvent the commercial system and helped installation art to flourish.

In general, installation art involves complex arrangements of two or more objects tailored to the demands of a particular site. Still, *Aurora Borealis* avoids hard and fast rules about what constitutes an installation. As curator Norman Thomson said emphatically: "There are no many definitions as there are artists." The exhibits range in style from the whimsy of Betty Goodwin's *Moving Towards Fire*, with its swimming, sylphlike figures, wrapping around three walls, to the rigorous neoplatonism of Lin Ma's *Procedures*, 1983-1985, in which she investigates the process of change through turning old newspapers into birds.

Installations give the artist an extraordinary degree of power over the spectator, who often acts as a participant. In Pierre Groulx's *On espace* (1), the viewer enters the work through a central spiral artwork. On one side a room is sculpted in a series of psychological motifs and on the other it is shown in reverse, producing an effect of entrapment and spatial disorientation that is disturbing but fascinating. Perhaps the most remarkable and affecting work in the show is John McEwen's *Palatine I* (*The Moor*), in which the steel-cut silhouettes of two dogs point toward the pose form of a wounded deer. Within that highly charged grouping McEwen creates a sense of such poignancy that it almost demands to be displayed in a room of its own.

In general, *Aurora Borealis* is not easily accessible, some exhibits are so idiosyncratic as to be all but impenetrable. As the title suggests, Irene Whitton's *Individually Multiples*, *Kind* 1979-Montreal 1985, a glaring red room hung with calligraphic graffiti and photographs of unidentified official-looking men, has a deep personal significance. But to the viewer it is simply obscure. Still, the size of *Aurora Borealis* is in greater than its parts. For its scale and ambition alone, the exhibition ranks as a milestone in Canadian art.

—GILLIAN MCKAY

Challenging a rock giant

During the past decade rockoverset producers across Canada have invaded Concert Productions International (CPI) as it became the country's leading promotion company. The Toronto-based firm handles almost every major rock act that comes to Canada—from Bruce Springsteen to The Jacksons—controlling 70 per cent of the Toronto market and wielding influence through partners in Montreal and Vancouver. Smaller promoters have traditionally accepted CPI's domination, but now Gary Tepp, Gary Currier and Gary Math, known as "The Garrys," are challenging the firm's position. Last week the promoters filed a \$4-million suit against CPI and Maple Leaf Gardens Ltd., the largest year-round entertainment location in the country. They alleged the Cool Lines Investigation Act.

Tepp, Currier and Math allege that CPI and the Gardens have established an exclusive relationship, compromising their ability to compete. In addition to damages, they want an injunction to allow their companies to book their concerts into the Gardens. Paul Cormier: "We have done a lot in this city, but without the Gardens, we are stalled." Although the Gardens, owned by president Harold Ballard, hold 30 per cent of CPI, the company became independent 39 years ago. CPI's three founders, one of whom is Harold Ballard's son, William Ballard, booked concerts in the 17,500-seat Gardens but branched out to a variety of locations, including small, licensed clubs. Its projected 1985 net income of \$4 million is based on long-term relationships with acts that can appear at larger locations as they gain in popularity.

The suit is one of several difficulties facing CPI. There have been public complaints about its marketing of tickets. Allan Bernardi and his partners complained about the relationship between CPI and the Gardens to the federal department of consumer and corporate affairs six weeks ago. Its bureau of competition policy has been investigating an alleged breach of the Competition Act. William Ballard, other CPI executives and Gardens officials were not available for comment last week, but it seemed certain that they would fight to retain their already modest share of the lucrative rock concert market.

—PAUL M. GRATE in Toronto



Arías, Pacciarini wrestling together through the screen of a confession booth

FILM

Love in a dangerous time

CAMILA

Directed by Merna Luisa Benberg

The true story of Camila O'Gorman, a 19th-century Argentine beauty who ran away with a Buenos Aires priest, has long haunted her country's imagination. Over years Camila's dubious of established authority was simply too provocative a subject for the censors in totalitarian Argentina. But when the Irish military regime took over in 1983, rising director Merna Luisa Benberg, a 62-year-old grandmother, was able to turn Camila's tragic tale into an unashamedly romantic film. Rich in gorgeous period wigs and political allegory, the Oscar nominee has enjoyed runaway popularity in its home country. Camila strikes a deep chord with Argentines: its background of political levity offers a close parallel to the government-sponsored dark squads of the 1970s.

When the wealthy Camila (Isabel Pacciarini) falls in love with her handsome neighbor, Father Ludmila (Arías), the lovers do not make a scandal—they become members of the poorer apparatus of a closely linked church and state. Benberg's recreation of the puritan atmosphere is so skillful that the viewer readily accepts the danger overshadowing the love affair. As Camila, Pacciarini reacts to that oppression with a powerful mix of bewilderment and passion. She also gives her character a shattering willfulness. Camila

ferociously hurls down Ludmila, breathing her love for him through the screen of the confession booth. With his sensual mouth and dark, searching eyes, Arías makes the priest seem an unlikely candidate for celibacy. In one of the film's most grippingly original moments, Camila kisses Ludmila as he lies sick and delirious, an shocking desire so strong that at first it shocks her.

Compared to that exchange, most of the love scenes in Camila are old-fashioned, with long, tedious shots of the lovers embracing while playing the film's treachery theme. Benberg has also nurtured the couple's exiles, their life tussling children in a remote village in scintillating style. Fortunately, the film offers darker counterweights. Rector Almagro's Camila's father, Adolfo, an understated antagonist that symbolizes his country's patriarchal power structure. The scenes in which Adolfo insists that his daughter be brutally punished are almost as affecting as the most potent exchange between the lovers.

Benberg has softened that black drama with lush production values. Indeed, her momentum on creating a film that shatters looks—and equally—beautiful has underwritten Camila's sensitive cinema. A delight to the eye and a stirring parable of political repression, Camila should have taken a run from its humane and followed more closely the dictates of its own heart.

—JOHN REMONDO

Beauty and the beast

THE BRIDE

Directed by Franz Rodman

Cosmopolitan to genre reports, The Bride is not a remake of the 1935 *The Bride of Frankenstein*. It is not even a horror film. The movie, despite its title and occasional shrieks, is in a class by itself. The action takes up where *The Bride of Frankenstein* left off. Baron Frankenstein (Sting) has just created a female counterpart of his monster during a violent electrical storm. But this time the woman is not designed as a companion for

introducing her into society.

The script makes the mistake of telling two different stories separately. That of Frankenstein and Eva as well as that of the male creature's adventures. But director Franz Rodman manages to crosscut the two stories effectively, contrasting them both starkly and subtly. In his travels, Frankenstein's male creation meets a chorty dwarf named Rinaldo (David Rappaport) who gives him the name Viktor and suggests that they go to Budapest to join the circus. While Frankenstein makes Eva over for his own purposes, Rinaldo does the same



Beast, Sting's highly sophisticated Gothic romance with a unique emotional flavor

the monster but for Frankenstein himself. Instead of the monster reuniting, as he did in the 1935 film by transcending Frankenstein and his "bride" along with himself, he suspects the flames and goes his own way. The opening sequence of *The Bride* has a marvellously damp and chilly atmosphere and is cloaked in shadow. With a visual design and emotional sweep all its own, the movie is a highly sophisticated Gothic romance.

Frankenstein calls his creation Eva and he intends to make a "new woman" out of her—"be bold and as proud as I am." A frail, disheveled creature with a shock of raven ringlets, Eva (Jennifer Beals) has no idea where she came from. Frankenstein tells her she was found in the woods, ill and amnesiac, but all her instincts tell her that is not true. With a secret, she goes about making her, giving her all the opportunities of civilized behavior and eventually

with Viktor, but ultimately.

Although it is in no way a remake of *The Bride of Frankenstein*, the *Bride* shares many qualities with the James Whale classic. It has a similar atmosphere and it is a study of emotion. The bond between Rinaldo and Viktor becomes touchingly tender; they appear mismatched, yet their circus act is the one that draws the circus. But their friendship is doomed, as are most pure things in the movie. The Bride launches great affection upon innocents, whether Viktor's or Eva's. During her first solo outing, Eva stands the rest of the people in the room by screaming and snarling at a cat which has not in front of her. Later she explains to Frankenstein, "I thought it was a tiny lion." The house in *The Bride* has an edge it is always occupied by danger of some sort.

The *Bride* is one of the few recent period movies to conjure up a bygone era in a satisfying manner, both emotionally

and physically (it was shot in extremely convincing European locations). Beals' face is ravishingly beautiful; she looks like an authentic Gothic heroine, a fiery-like beauty, and Chazy Brown, with his catatonic frame and wounded, animal-like eyes, makes the perfect beast for her.

As well, the film displays a childlike wonder about emotion—love, jealousy, sexual desire. In some members of the audience might seem refreshingly primitive, even lovingly funky. But what *The Bride* happens to have is that rare commodity in modern movies—an uncalculated sweetness. That quality unifies every frame of the movie and it helps build the story toward the final terror when both the villagers and Frankenstein's creation Viktor and Eva, Frankenstein's own creation finally turn on him. "You can never have me!" Eva tells him in their final electrification. He has wanted her to have the pleasure of raping her, and the thought becomes a shocking one.

Unfortunately, Sting's performance is far from ideal without either passion or charisma. There is no sense of obsession in Frankenstein's mania. Sting's work would have spilled a lesser movie. But it would take much more to soar the dark reformation of *The Bride*. At the heart of the film is the question: how far love, so difficult to find, will be so easily lost. In *The Bride* anxiety flickers across the faces of its characters like late-night candle flames.

—LAWRENCE OTTOLE

MACLEAN'S BEST-SELLER LIST

Fiction

- 1 *Shogun* (Crown, \$19.95)
- 2 *Thirteen* (Crown, \$19.95)
- 3 *The Elder* (Bantam, \$19.95)
- 4 *The Fourth Deadly Sin* (Bantam, \$19.95)
- 5 *Chatterbox* (Doubt, \$19.95)
- 6 *Islands* (Doubt, \$19.95)
- 7 *John Leary* (Crown, \$19.95)
- 8 *The Burning Shores* (Bantam, \$19.95)
- 9 *Famously Alone* (Bantam, \$19.95)
- 10 *Thinner* (Bantam, \$19.95)

Nonfiction

- 1 *Answers, Answers with Noah* (3)
- 2 *Invasion for Koolhaas*, *Notes and Notes* (3)
- 3 *Tragedy, Disaster and Justice* (3)
- 4 *Thirteen* (Bantam, \$19.95)
- 5 *Beheading with Mice*, *Shakespeare* (3)
- 6 *Dr. Alexander's Body Type Program*, *Abraham and King* (3)
- 7 *Heart of the Matter* (3)
- 8 *The Burning Shores* (Bantam, \$19.95)
- 9 *Dr. Berger's Instant Power Diet*, *Berger* (3)
- 10 *The Canadians*, *Maclean's* (3)

(1) Fiction best seller

Wisdom from the islands in the sun

By Allan Fotheringham

Year-faithful scribbles, sensitive to the core, has noted with chagrin a recent letter to this here magazine from a world-weary reader in Warrington who, filled with angst, pleads with the editor to save him from the good ol' days of the "good old" from his summer holiday. This, I must tell you, is a low blow—and deeply sounding. It has always been my impression, mistaken perhaps (though desperately hard to believe), that my few faithful fans appreciate the random straying from the detailed detailing of the political and sexual pro-and-con of the high and mighty. When you get down to it, what they are doing is not much different from what happens in the *Starline*—though admittedly at a higher level. Be it O'Grady and the Lady are visitors under the skin, just as Willy Loman is not that far from the deputy minister of trade and commerce.

It has always been my contention that one learns more on holidays than in most months sitting around listening to the ardently emboldened and blinding that make up so much of the life of politics and business. As an instance, your agent is approached at the moment on an island off the coast of British Columbia where birds and mammals are the order of the day. When the days are not *lytle*, they are merely poetic. The bottle-green mountains rise steeply across the sound. One of the fanciful local sites is a formation of peaks that look exactly like Charles de Gaulle deep in sleep. The ferns are bigger than bluffs, come down and abide in the garden. It is a pleasant night at breakfast.

One of the first things noticed in paradise is that there is nowhere near the usual number of stars on the water this summer. Stars are Glossy Magazine People, the middle-aged remnants of the tireless Yuppies in past summers the blue waters have been speckled with a lustreous number of white sails and subtly requires that would keep one's goggling in happiness.

The lack that borders the wild water-

Allan Fotheringham is a columnist for Southern News.

shores is relatively lonely. The whole scene reveals that the B.C. coastline is still alive and well, the stockbrokers and high rollers still seeking in their tents, their yachts in drydock. It's hell, this research, but someone has to do it.

High on a cliff, a proud and defiant original collage—someone says he is such a gentleman that he would rather be caught without his pants than his tie—finds the White Stripes on this particular day. Once you had to have a certain high rank in the navy to fly it. This day it is in honor of the fact that this happens to be the anniversary of



the start of the First World War—and the Queen Mum's 85th birthday.

Everyone noticed, one trusts, that the Queen when she visited Saskatchewan, which was celebrating its 80th birthday. She is 85. A Queen older than a promise. Love it.

On our island there is a great fuss because someone has a cocktail party for a British lord who arrives bearing someone he calls a "mistress." An expensive one hasn't been in public society since the 1950s. She seems like a Marxist from Liverpool, says one snitty wife. Not so, says another snitty wife, she had a good arrest, she obviously was a Marxist from Southampton.

The island scene, off the coast of British Columbia, where rumors the alleged recession, is a movable feast. The fat white ferns, creating through the waters with the serenity of Queen Victoria, are more numerous than the Canadian cow's vessels—which isn't hard—and over large boats, pastel premiums and the ubiquitous camper trucks like

detritus as they glide into dock after dock.

On one island a baby farmer, an expensive and generous host with a satellite dish that banks on 138 channels from around the world, plays videos of himself while healing his wounds, suffered when he overcame a ballerina into a ravine, before his grandchild's hanging from his life grapes.

On this particular island there is a shrewd and knowing woman, aged 82, who sits and writes lyrical prose. She was a missionary in China and has published a book on the experience. One son is a film-maker who works in *AMIs* and travels the Third World. One daughter is a powerful cultural minister who travels the world. The youthful 30-year-old is writing a book about her early days in Toronto, where she operated to start late because the orchestra players had come from the pithead in the silent movie theatres. She is writing a collection of poems for entry in the *one* poetry contest. Best of all, she has done small essays for a Victoria paper, observations from her window overlooking her room, describing the comings and goings and the breeze sweeping down over the

poor-colored water. She is very good. There is the ritual grass-hockey game, played with hockey sticks and tennis balls, the standard of violence is generally of the same level as that of Australian Rules football. There is the standard rougher side of the side of a mountain in a jeep, through streams and over logs, twisting on bluffs and frightening the sheep, a journey that would terrify.

Best of all is the juxtaposition of water against mountain, sunlight against trees, the forest primed with green fern and dark moss, a soothing balm for a man who has listened to too much half-dry over a year and yearns to be a deer that are, each. Nevertheless, plucked off occasionally by a chop with a large beard and beeps like things who—as required by law—can use only a bow and arrow. His wife has made him a Viking helmet with horns, and tourists who have come across the night are still dreaming to Iowa.

No postcards, indeed.



Are you sure your next bottle of rye will taste as good as the last one?

All rye whiskies are blended, for flavour and smoothness.

It's possible to blend ryes before barrel-aging. But we've found that can be a little unpredictable. That's why Seagram's V.O. is blended after it's been barrel-aged in oak.

So the only surprise you'll get with Seagram's V.O. is how consistently good it tastes.

PUT
YOUR RYE
HERE.



Seagram's V.O.
Rye whisky you can be sure of.

SAAB
TURBO 16
1985 SPORTS SEDAN
OF THE YEAR
Automobile Journalists Association of Canada



A car for all seasons

To say that Saab is a car for all seasons probably conjures up a panorama of challenging driving experiences. But there's more to this statement than even the most vivid imagination can weave.

All Saabs are not only engineered for where you choose to live, but also for how you choose to live. They are cars engineered to satisfy your every driving need. They are spacious, meticulously finished and appointed family cars. They are road and rally-proven, performance-engineered sports sedans. Each car in the series is a contemporary reflection of Saab's time-honoured and innovative engineering philosophy; a philosophy which contends that nothing is sacred if it stands in the way of building a better car.

Turbo 16 and 16S— Leading edge then— and now

Today's Saab Turbo 16 and 16S stand alone on the leading

edge of turbo technology because both feature Saab's evolutionary 16-valve, intercooled, turbocharged engine and exclusive Automatic Performance Control (APC) System. The result: not irresponsible claims about "peeling the skin off the competition"—only the assurance of performance that will set your skin at angle—as it drives all other turbos out of your mind.

Common features create a most uncommon line of cars

If, for whatever reason, a Turbo isn't part of your current plan, you can still enjoy Saab's unique performance and luxury in the Saab 900S. With standard features such as air-conditioning, cruise control, power windows, stereo sound system, and electrically controlled mirrors, it is

complete in every way.

All Saabs, including the legendary Saab 900 (which starts at under \$17,000), are powered by the same basic 2-litre overhead cam, fuel-injected engine. All feature front wheel drive, rack and pinion steering, gas shocks, heated front seats, safety cage construction, headlamp wash/wipe system, and cockpit instrumentation whose ergonomic refinement more closely resembles that of an aircraft than that of a car. In short, there are different Saabs—but there is no basic Saab. (Features and performance so advanced could never be termed basic.)

Saab—When second-best isn't good enough

Mere words can't do the Saab driving experience justice. Only a test drive can. Put pure pleasure back in your driving—whatever the season. Take your place in the cockpit of a Saab 900, 900S, 900 Sport or Turbo today.

SAAB

Swedish engineering. Depend on it.